

April 17, 2003

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**AMENDMENT NUMBER EIGHT TO AGREEMENT NUMBER 62784 WITH ACS  
STATE & LOCAL SOLUTIONS, INC. (FORMERLY ACS GOVERNMENT SERVICES,  
INC.) TO MODIFY, ENHANCE AND MAINTAIN THE LOS ANGELES FOOD STAMP  
AUTOMATED ISSUANCE AND REPORTING SYSTEM (LA FAIR)**

**ALSO  
DELEGATION OF AUTHORITY AND STANDARDIZED AMENDMENTS  
FOR USE BETWEEN LOS ANGELES COUNTY AND  
QUALIFIED BENEFITS ISSUANCE AGENTS  
(ALL DISTRICTS)  
(3 VOTES)**

**CIO RECOMMENDATION: APPROVE ( X ) APPROVE WITH MODIFICATION ( )  
DISAPPROVE ( )**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Chair to sign the attached Amendment Number Eight to Agreement Number 62784 with ACS State & Local Solutions, Inc. (formerly ACS Government Services, Inc.) for operation and maintenance of the Los Angeles Food Stamp Automated Issuance and Reporting System (LA FAIR) to extend the term of the Agreement effective June 1, 2003 through May 31, 2004, with the option to extend month-to-month for a total of 12 months through May 31, 2005 or until implementation of Electronic Benefit Transfer (EBT) in Los Angeles County, whichever is sooner. The extension of the Agreement will increase the total maximum contract sum from \$68,158,548 to \$83,510,788. To the extent that the additional \$15,352,240 costs are claimed to CalWORKs and Food Stamps, there is no additional net County cost (NCC) after the required Maintenance of Effort (MOE) is met. The share of costs charged to General

Relief result in an estimated NCC of \$255,604 in the first contract year and \$252,282 in the optional year. Funding is included in the FY 2002-03 Adopted Budget. Funding for the future fiscal years will be included in the Department's budget requests.

2. Delegate authority to the Director, Department of Public Social Services (DPSS), to prepare and sign amendments to the Agreements with benefits issuance agents substantially similar to the attached documents (Attachments B, C, D, and E) to extend the Agreement term effective June 1, 2003 through May 31, 2004, with the option to extend month-to-month at the County's sole discretion, for a total of 12 months through May 31, 2005 or until implementation of EBT in Los Angeles County, whichever is sooner. The approval of County Counsel and the Chief Administrative Office (CAO) will be obtained prior to executing such amendments, and the Director will notify the CAO in writing within ten business days after the execution. The annual estimated cost for Food Stamp transaction fees and transportation instrument issuances paid to benefits issuance agents is \$1.5 million subvented by State and federal revenues allocated for the administration of the Food Stamps program. There is no additional NCC after the required MOE is met. Funding is included in the FY 2002-03 Adopted Budget. Funding for the future fiscal years will be included in the Department's budget requests.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose/justification of this Amendment Number Eight is to preserve the status quo of the current LA FAIR system while DPSS implements EBT. LA FAIR issues Food Stamps and cash for CalWORKs, General Relief, Refugee, and Cash Assistance Payments to Immigrants (CAPI) participants.

Approval of this action will provide uninterrupted service to Food Stamps, CalWORKs, and General Relief participants and facilitate a smooth transition to Statewide EBT, which is scheduled to be fully implemented in Los Angeles County in March 2004. Under State and federal law, Food Stamp issuances must change to EBT. The delay of implementation of statewide EBT in Los Angeles County, previously scheduled for 2002, makes it necessary to extend this contract.

Exploration of alternative programs of benefits delivery to DPSS' participants was deemed impractical and imprudent for the short period of time remaining before full Countywide EBT implementation. While State and federal law requires counties to use EBT to issue Food Stamps, counties have the option to use EBT to issue cash. Later this year, DPSS will file a separate recommendation to the Board on this issue.

### **Implementation of Strategic Plan Goals**

The recommended actions are consistent with the principles of the Countywide Strategic Plan, in particular, Goal 1/Strategy 1, which is to ensure that services provided to participants are user friendly and effectively meet participant needs, as well as Goal 4/Strategy 3, which is to ensure that the service delivery systems such as LA FAIR are efficient, effective and goal-oriented, and collaborate across functional and jurisdictional boundaries.

### **FISCAL IMPACT/FINANCING**

The total cost of the first year and month-to-month optional 12 months extension is \$15,352,240. The estimated annual costs are \$7,726,337 for the first year and \$7,625,903 for the optional year. This represents a reduction from the current contract of \$619,954 annually. To the extent that these costs are claimed to CalWORKs and Food Stamps, there is no additional NCC after the required MOE is met up to the available State funding level. The share of costs charged to General Relief result in an estimated NCC of \$255,604 in the first contract year and \$252,282 in the optional year. Funding is included in the FY 2002-03 Adopted Budget. Funding for the future fiscal years will be included in the Department's budget requests.

The annual estimated cost for Food Stamp transaction fees and transportation instrument issuances paid to benefits issuance agents is \$1,500,000. These costs are subvented by State and federal revenue allocated for the administration of the Food Stamps program. There is no additional NCC after the required MOE is met up to the available State funding level. Funding is included in the FY 2002-03 Adopted Budget. Funding for the future years will be included in the Department's budget requests.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

#### **LA FAIR Contract Amendment**

In 1985, the Board approved Agreement Number 62784 between the County of Los Angeles and EDS Corporation for the automated LA FAIR system for a five-year term.

In 1990, TransFirst Corporation (now ACS State & Local Solutions, Inc.) was awarded the contract for another five-year term through a the rebid process. In 1993, the Board approved a two-year extension which saved the County \$12.2 million by capping escalating transaction fees. In 1997, the Board approved a 36-month extension to implement the AFDC (CalWORKs) On-Line system. In 2000, the Board approved a 36-month extension pending implementation of statewide EBT. The contract currently expires on May 31, 2003. The proposed Amendment will extend the contract through May 31, 2005, or until EBT is implemented in Los Angeles County, whichever is sooner, (Attachment A).

This Amendment to the LA FAIR contract has been approved as to form by County Counsel and has been reviewed by the Chief Information Officer. It has also been included in the FY 2002-03 DPSS Business Automation Plan.

#### **Standardized Benefits Issuance Agents' Contract Amendments**

There are four different types of standardized contracts for the 25 benefits issuance agents which include 98 outlets. These contracts currently contain certain specific provisions depending upon the year in which the County originally entered into the contract. If approved by the Board, the Director of DPSS would use the delegated authority to execute the four types of contract amendments necessary to extend the term of 25 benefits issuance agent contracts. Currently, the contracts expire on May 31, 2003. These amendments will extend the term of the current contracts for one year or until the time of EBT implementation, whichever is sooner. The contracts also contain an option to extend the term on a month-to-month basis for up to 12 months or until May 31, 2005.

The four proposed standardized amendments will ensure that current County contract provisions, including provisions regarding Child Support Compliance, Federal Earned Income Tax Credit, Purchasing Recycled-Content Bond Paper, Jury Service Program, and Safely Surrendered Baby Law are included in all of the benefits issuance agent contracts. With the exception of certain already existing transaction fees, the amendments will also make all the contracts uniform. During the amended term, all benefits issuance agents will be required to pay a portion of the Electronic Data Processing (EDP) costs as invoiced to them by ACS. Additionally, these amendments include a provision requiring the contractors to obtain a surety bond payable to ACS as a guarantee of payment for the EDP costs.

The four different types of benefits issuance agent contracts are as follows:

#### **ISSUANCE AGENT CONTRACTS BY 1994**

Prior to 1994, the benefits issuance agents' contracts were competitively bid. The core group of eight agents is paid transaction fees for issuing Food Stamp benefits to DPSS' participants.

During the amended term, DPSS will continue to pay Food Stamp transaction fees to this group of agents for 37 outlets at an estimated annual cost of \$1,500,000. These agents consistently issue 40 percent of all benefits to DPSS' participants and, therefore, are vital to the stability of the benefits issuance system. This group of contract amendments is represented by Amendment Number Five to the Continental Currency Services, Inc. Agreement (Attachment B).

In 1994, three additional benefits issuance agent contracts added five outlets to the network when DPSS began issuing General Relief benefits through the LA FAIR system. These contracts were competitively bid, and contained a provision requiring agents to pay DPSS transaction fees for each participant who was issued Food Stamps. These amendments are represented by Amendment Number Three to the Thomas Nix Distributors, Inc. Agreement (Attachment C). This Amendment will extend the term of the three contracts for five outlets.

#### **ISSUANCE AGENT CONTRACTS IN 1997**

On May 6, 1997 your Board approved the use of a standardized benefits issuance contract and delegated authority to the Director, DPSS, to approve contracts with qualified benefits issuance agents in order to expand the network to accommodate CalWORKs (formerly AFDC) issuance in lieu of postal delivery. The solicitation was in the form of an application and all firms who met DPSS' qualifications were given contracts. These contracts never contained any provision requiring agents to pay transaction fees to DPSS. These agreements are represented by Amendment Number Three to the California Quik Check, Inc. Agreement (Attachment D). This Amendment will extend the term of twelve contracts for 50 outlets.

### **ISSUANCE AGENT CONTRACTS IN 1999**

In 1999, your Board approved the use of a standardized contract and delegated authority to the Director, DPSS, to approve contracts to replace closed outlets, to document agreements with assignees of all outlets governed by existing contracts, to consent to the assignment of no cost benefits issuance agents contracts, and to approve and sign amendments as necessary to facilitate assignment of one or more outlets to another agent. These contracts never contained any provision requiring agents to pay transaction fees to DPSS. These amendments are represented by Amendment Number Three to the Ace Cash Express, Inc. Agreement (Attachment E). This Amendment will extend the term of two contracts for six outlets.

The State and federal agencies have approved the Department's Advance Planning Document requesting this increase to the current LA FAIR Agreement Number 62784 for the next two years or until EBT implementation, whichever is sooner.

The consequences of not implementing the recommended actions would mean that the County would have to revert back to mailing cash and Food Stamps to participants. The return to mailing of these benefits would have a significant impact on the US Postal Services' employees who were being assaulted and robbed on delivery day. The cost of reverting back to this method of service delivery is unknown at this time. However, we believe it would cost significantly more than the current automated service delivery system.

All contractors are in compliance with the Jury Service Program.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

LA FAIR is the automated benefit delivery system for Food Stamps, CalWORKs cash, GR cash, and transportation. Board approval of this Amendment allows the Department to continue servicing participants and facilitates a smooth transition to Statewide EBT.

The Honorable Board of Supervisors

April 17, 2003

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**CONCLUSION**

The Executive Officer, Board of Supervisors, is requested to return two (2) stamped copies of the adopted Board letter, and four (4) signed copies of Amendment Number Eight to the Director of the Department of Public Social Services.

Respectfully submitted,

Reviewed by:

Bryce Yokomizo  
Director

Jon W. Fullinwider  
Chief Information Officer

BY:bg  
Attachments (5)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Auditor-Controller  
Chief Information Officer  
Director, Internal Services Department  
Treasurer and Tax Collector



AMENDMENT NUMBER EIGHT TO  
AGREEMENT NUMBER 62784 BY AND BETWEEN  
COUNTY OF LOS ANGELES  
AND  
AFFILIATED COMPUTER SERVICES (ACS),  
STATE AND LOCAL SOLUTIONS, INC.  
FOR  
TRANSFER AND FACILITY MANAGEMENT OF THE  
FOOD STAMP AUTOMATED ISSUANCE AND REPORTING SYSTEM



## **AMENDMENT NUMBER EIGHT TO**

### **COUNTY OF LOS ANGELES AGREEMENT NUMBER 62784**

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**AMENDMENT NUMBER EIGHT TO**  
**COUNTY OF LOS ANGELES AGREEMENT NUMBER 62784**

This Amendment Number Eight is entered into by and between the County of Los Angeles (hereafter "COUNTY") and Affiliated Computer Services (ACS), State & Local Solutions Inc., (hereafter "CONTRACTOR"), and amends that certain COUNTY Agreement Number 62784, dated April 12, 1990; Amendment Number One, dated March 24, 1992; Amendment Number Two, dated March 30, 1993; Amendment Number Three, dated November 22, 1993; Amendment Number Four, dated November 15, 1994; Amendment Number Five, dated March 11, 1997; Amendment Number Six, dated September 1, 1998 and Amendment Number Seven dated April 25, 2000; Change Notice Number One, dated October 23, 1990; Change Notice Number Two, dated July 16, 1991; Change Notice Number Three, dated January 31, 1992; Change Notice Number Four, dated May 7, 1995; Change Notice Number Five, dated January 21, 1994; Change Notice Number Six, dated May 11, 1995; Change Notice Number Seven, dated August 22, 1995; Change Notice Number Eight, dated July 1, 1996; Change Notice Number Nine, dated November 5, 1997; Change Notice Number Ten, dated February 20, 1998; Change Notice Number Eleven, dated February 25, 1999; Change Notice Number Twelve, dated March 4, 2002 and Change Notice Number Thirteen, dated September 9, 2002 (hereafter collectively "Agreement").

WHEREAS, in accordance with the terms and conditions of Agreement, CONTRACTOR provides COUNTY support and services for the Transfer and Facility Management of the Food Stamp Automated Issuance and Reporting System (LA FAIR);

WHEREAS, COUNTY and CONTRACTOR desire to extend the term of the Agreement for an additional one (1) year with one (1) option year period to allow continued services by CONTRACTOR until implementation by COUNTY of the statewide Electronic Benefit Transfer (EBT) system;

NOW THEREFORE, pursuant to Subparagraph 5.0 (Change Notices and Amendments) of Agreement, COUNTY and CONTRACTOR hereby agree to amend Agreement as follows:

1. Subparagraph 6.1 of Paragraph 6.0 (Term) (last changed in Amendment #7) is deleted in its entirety and the following is substituted in lieu thereof:  
  
"6.1 Unless terminated in whole or in part as provided in this Agreement, the term of this Agreement shall commence upon the execution of the Agreement by the COUNTY's Board of Supervisors and shall expire May 31, 2004, or until implementation of the State Electronic Benefit Transfer (EBT) System, whichever is sooner."
2. Subparagraph 6.2 of Paragraph 6.0 (Term) (last changed in Amendment #1) is deleted in its entirety and the following is substituted in lieu thereof:

"6.2 Notwithstanding Subparagraph 6.1, the COUNTY shall have the sole option to extend the Contract Term month-to-month for a total of twelve (12) months through May 31, 2005. The option months shall be exercised individually by the Director of The Department of Public Social Services (DPSS) or his designee. If the COUNTY elects to exercise the option months to this Agreement, costs for all required services shall be at Year Fifteen (Option Year), Maximum Contract Sum rates defined in subparagraph 7.3.3 Table A of Paragraph 7.0, Contract Sum. Any such extension shall be completed through an Amendment negotiated between CONTRACTOR's authorized representative and executed on behalf of COUNTY by the Director, Department of Public Social Services (DPSS)."

3. Subparagraph 6.3 of Paragraph 6.0 (Term) (last changed in Amendment #1) is deleted in its entirety and the following is substituted in lieu thereof:

6.3 The provisions of Amendment Number Eight shall become effective on June 1, 2003.

4. Subparagraph 7.1.1.1 of Paragraph 7.0 (Contract Sums) is deleted in its entirety, and the following is substituted in lieu thereof:

**"7.1.1.1 Fixed Item Food Stamps Payments – Years Eleven through Fourteen and Option Year Fifteen**

The Fixed Item Food Stamps Maximum Contract Sum for years Eleven through Fourteen and Option Year Fifteen under this Agreement shall be the maximum monetary amount payable by COUNTY to CONTRACTOR for supplying all tasks, deliverables, goods, services and other work pertaining to on-line distribution of Food Stamps as specified under this Agreement. All work completed by CONTRACTOR must be approved in writing by COUNTY. If COUNTY does not approve any work in writing, no payment shall be due to CONTRACTOR for that work. The Fixed Item Food Stamps Maximum Contract Sum shall be as set forth in Column A of the Table in Subparagraph 7.3.3. The Fixed Item Food Stamp Maximum Contract Sum includes: Issuance Site On-Line Transactions, DPSS Generated On-Line Transactions, Temporary Issuance Card (TIC) and Permanent Issuance Card (PIC) costs as set forth on Page B-1 of Fifth Amended Exhibit B."

5. Subparagraph 7.2.1 of Paragraph 7.0 (Contract Sums) is deleted in its entirety, and the following is substituted in lieu thereof:

**"7.2.1 Gold Maximum Contract Sum – Years Eleven through Fourteen and Option Year Fifteen**

The GOLD Maximum Contract Sum under this Agreement for years Eleven through Fourteen and Option Year Fifteen shall be the maximum monetary amount payable by COUNTY to CONTRACTOR for supplying all tasks, deliverables, goods, services and other work pertaining to GOLD as specified under this Agreement. All work completed by CONTRACTOR must be approved in writing by COUNTY. If COUNTY does not approve any work in writing, no payment shall be due to CONTRACTOR for that work. The GOLD Maximum Contract Sum for years Eleven through Fourteen and Option Year Fifteen shall be as set forth in Column B of the Table in Subparagraph 7.3.3."

6. Subparagraph 7.3.1 of Paragraph 7.0 (Contract Sums) is deleted in its entirety, and the following is substituted in lieu thereof:

**"7.3.1. CalWORKs Maximum Contract Sum – Years Eleven Through Fourteen and Option Year Fifteen**

The CalWORKs Maximum Contract Sum under this Agreement for years Eleven through Fourteen and Option Year Fifteen shall be the maximum monetary amount payable by COUNTY to CONTRACTOR for supplying all tasks, deliverables, goods, services and other work pertaining to the on-line distribution of CalWORKs as specified under this Agreement. All work completed by CONTRACTOR must be approved in writing by COUNTY. If COUNTY does not approve any work in writing, no payment shall be due to CONTRACTOR for that work. The CalWORKs Maximum Contract Sum for contract years Eleven through Fourteen and Option Year Fifteen shall be as set forth in Column C of the Table in Subparagraph 7.3.3."

7. Subparagraph 7.3.3 (Table A) of Paragraph 7.0 (Contract Sums) (last changed in Amendment #7) of this Agreement is deleted in its entirety and the following is substituted in lieu thereof:

**"7.3.3 Table A**

		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
<u>Year</u>	<u>Dates</u>	<u>Fixed Item Food Stamps Maximum Contract Sums*</u>	<u>GOLD Maximum Contract Sums*</u>	<u>CalWORKs (AFDC) Maximum Contract Sums*</u>	<u>LEADER Interface Maximum Contract Sums*</u>	<u>Overall System Operation &amp; Support Maximum Contract Sums*</u>	<u>TOTAL YEARLY MAXIMUM CONTRACT SUMS</u>
1	Exec. - 5/11/91	\$1,925,550	N/A	N/A	N/A	N/A	\$1,925,550
2	5/12/91- 5/11/92	\$2,824,140	N/A	N/A	N/A	N/A	\$2,824,140
3	5/12/92- 5/11/93	\$3,106,554	\$197,830	N/A	N/A	N/A	\$3,304,384
4	5/12/93- 5/11/94	\$3,417,209	\$461,105	N/A	N/A	N/A	\$3,878,314
5	5/12/94- 5/11/95	\$3,758,930	\$547,040	N/A	N/A	N/A	\$4,305,970
6	5/12/95- 5/11/96	\$4,830,343	\$540,396	N/A	N/A	N/A	\$5,370,739
7	5 /12/96- 5/11/97	\$4,154,721	\$580,754	\$483,660	N/A	N/A	\$5,219,135

		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
<u>Year</u>	<u>Dates</u>	<u>Fixed Item Food Stamps Maximum Contract Sums*</u>	<u>GOLD Maximum Contract Sums*</u>	<u>CalWORKs (AFDC) Maximum Contract Sums*</u>	<u>LEADER Interface Maximum Contract Sums*</u>	<u>Overall System Operation &amp; Support Maximum Contract Sums*</u>	<b><u>TOTAL YEARLY MAXIMUM CONTRACT SUMS</u></b>
8	5/12/97- 5/11/98	\$4,154,721	\$214,190	\$489,431	N/A	N/A	\$4,858,342
9	5 /12/98- 5/11/99	\$4,154,721	\$190,152	\$328,500	\$1,270,155	N/A	\$5,943,528
10	5/12/99- 5/11/00	\$4,154,721	\$190,152	\$328,500	\$81,000	N/A	\$4,754,373
11	5/12/00- 5/11/01	\$4,528,644	\$165,684	\$313,920	\$108,877	\$3,964,366	\$9,081,491
12	5/12/01- 5/11/02	\$4,528,644	\$165,684	\$313,920	\$35,677	\$3,302,366	\$8,346,291
13**	5/12/02- 5/31/03	\$4,528,644	\$165,684	\$313,920	\$35,677	\$3,302,366	\$8,346,291
14	6/01/03- 5/31/04	\$4,528,644	\$165,684	\$313,920	N/A	\$2,718,089	\$7,726,337
15*** <b>Option Year</b>	6/01/04- 5/31/05	\$4,528,644	\$165,684	\$313,920	N/A	\$2,617,655	\$7,625,903
<b>TOTAL 15 YEAR MAXIMUM CONTRACT SUM</b>							<b>\$83,510,788</b>

Footnotes to Paragraph 7.3.3 Table A:

\* The Maximum Contract Sums shall include all applicable taxes.

\*\* Year Thirteen (13) consists of twelve (12) months and 20 days.

\*\*\* Year Fifteen (15) exercised solely at County option on a month-to-month basis."

8. Subparagraph 7.5.4 of Paragraph 7.0 (Cost-of-Living Adjustments) is amended as follows:

"7.5.4 There shall be no Cost-of-Living adjustment to CONTRACTOR'S Food Stamps Issuance On-line Transactions, DPSS Generated On-line Transactions, I.D. Card Issuance, GR or CalWORKs Transaction Rates, or to any GR, CalWORKs, or LA FAIR Non-Transaction Based Services for the Eleven through Fourteen years and (option year Fifteen if exercised) of this Agreement.

However, for CONTRACTOR'S reference purposes, COUNTY shall calculate the Cost-of-Living adjustment as if it did apply based on the formula set forth in Subparagraph 7.5.2 and send written notice of such calculation to CONTRACTOR."

9. Subparagraph 7.6.1.2 of Paragraph 7.6 (Billing) is added as follows:

**7.6 BILLING**

**"7.6.1.2 Fixed Item Food Stamps Payments - Years Fourteen and Option Year Fifteen**

CONTRACTOR shall bill for Fixed Item Food Stamps Payments, Deliverable 10.1 (System Operation) during Year Fourteen and Option Year Fifteen of this Agreement.

- A. CONTRACTOR shall provide all Food Stamp Issuance Site On-line Transactions, Food Stamp DPSS Generated On-line Transactions, Temporary Issuance Card (TIC), and Permanent Issuance Card (PIC) at a price equal to the respective year Maximum Contract Sum as set forth in Column A of the table in Subparagraph 7.3.3. The amounts stated in Column A of the table in Subparagraph 7.3.3 shall be divided by twelve to arrive at the amount to be paid to CONTRACTOR by COUNTY for Food Stamp issuances in any given month during Agreement Year Fourteen and Option Year Fifteen if exercised.

Notwithstanding that CONTRACTOR shall bill COUNTY on a monthly basis, as provided in Subparagraph above, the total Food Stamp payment by COUNTY to CONTRACTOR for any of the Year Fourteen and Option Year Fifteen of this Agreement shall not exceed the Food Stamp Maximum Contract Sum for such year shown in Column A of Table A of Subparagraph 7.3.3.

- B. All Non-Transaction Based Services of Deliverable 10.1 (System Support Food Stamp Services, DPSS Data Circuit Cost, workstations installed/de-installed, hours worked on System Modifications and Enhancements, and outlet expansion costs) shall be paid through any outstanding monthly credit/rebates due to COUNTY, pursuant to Section 13.3, by CONTRACTOR at the specified rates in Fifth Amended Exhibit B (Food Stamp Pricing Schedule by Deliverable). In any month that the outstanding credit/rebates are insufficient to cover the Non-Transaction Based Services, CONTRACTOR shall invoice COUNTY at the rate specified in Fifth Amended Exhibit B (Food Stamp Pricing Schedule by Deliverable)."

10. Subparagraph 7.6.2.2 of Paragraph 7.6 (Billing) is added as follows:

**"7.6.2.2 General Relief Payments Year Fourteen and Option Year Fifteen**

CONTRACTOR shall bill COUNTY for General Relief (GR) as follows:

- A. CONTRACTOR shall provide all General Relief (GR)/GOLD Issuance Site check Printing, DPSS generated On-Line transactions, Temporary Issuance Card (TIC), Permanent Issuance Card (PIC) and Administrative Fee for GR transportation Allowance at a price equal to the respective year Contract Sum as set forth in Column B of the table in Subparagraph 7.3.3. The amounts stated in Column B of the table in Subparagraph 7.3.3 shall be divided by twelve to arrive at the amount to be paid to CONTRACTOR by COUNTY for General Relief transactions in any given month during the Agreement Year Fourteen and Option Year Fifteen if exercised.

Notwithstanding that CONTRACTOR shall bill COUNTY as provided in Subparagraph above, the total General Relief payment by COUNTY to CONTRACTOR for Year Fourteen of this Agreement shall not exceed the GOLD Maximum Contract Sum for such year shown in Column B of Table A of Subparagraph 7.3.3.

- B. All System Support Based Services of Deliverable 9.2 (System Support GR Services, DPSS Data Circuit Cost, workstations installed/de-installed, hours worked on System Modifications and Enhancements, and outlet expansion costs), shall be paid through any outstanding monthly credit/rebates due to COUNTY, pursuant to Section 13.3 by CONTRACTOR at the specified rates in Fifth Amended Exhibit BB (GOLD/CalWORKs). In any month that the outstanding credit/rebates are insufficient to cover the System Support Based Services, CONTRACTOR shall invoice COUNTY at the rate specified in Fifth Amended Exhibit BB (GOLD/CalWORKs Pricing Schedule by Deliverable)."

- 11. Subparagraph 7.6.3.1 of Paragraph 7.6 (Billing) is deleted in its entirety and the following is substituted in lieu thereof:

**"7.6.3.1 CalWORKs - Year Fourteen and Option Year Fifteen**

CONTRACTOR shall bill COUNTY for CalWORKs as follows:

- A. CONTRACTOR shall provide all CalWORKs Issuance Site check printing, DPSS generated On-Line Transactions, Temporary Issuance Card (TIC) and Permanent Issuance Card (PIC) at a price equal to the respective year Contract Sum as set forth in Column C of the table in Subparagraph 7.3.3. The amounts stated in Column C of the table in Subparagraph 7.3.3 shall be divided by twelve to arrive at the amount to be paid to CONTRACTOR by COUNTY for CalWORKs transactions in any given month during Agreement Year Fourteen and Option Year Fifteen if exercised.

Notwithstanding that CONTRACTOR shall bill COUNTY as provided in Subparagraph, above, the total CalWORKs payment by COUNTY to CONTRACTOR for any of the Year Fourteen and Option Year Fifteen of this Agreement shall not exceed the CalWORKs (AFDC) Maximum Contract Sum for such year shown in Column C of Table A of Subparagraph 7.3.3.

- B. All System Support Based Services of Deliverable 9.2 (System Support CalWORKs Services, workstations installed/de-installed, new Data Circuit Cost, hours worked on System Modifications and Enhancements, and outlet expansion costs) shall be paid through any outstanding monthly credit/rebates due to COUNTY, pursuant to Section 13.3, by CONTRACTOR at the specified rates in Fifth Amended Exhibit BB (GOLD/CalWORKs Pricing Schedule by Deliverable). In any month that the outstanding credit/rebates are insufficient to cover the System Support Based Services, CONTRACTOR shall invoice COUNTY at the rates specified in Fifth Amended Exhibit BB (GOLD/CalWORKs Pricing Schedule by Deliverable)."

- 12. Subparagraph 7.10 of Paragraph 7.0 (Contract Sums) is added as follows.

**“7.10 Overall System Operation and Support Maximum Contract Sum – Year Fourteen and Option Year Fifteen**

The Overall System Operation and Support Maximum Contract Sum under this Agreement shall be the maximum amount payable to CONTRACTOR for supplying all tasks, deliverables, goods, services and other work pertaining to the LA FAIR System Operation and Support as specified under this Agreement. All work completed by CONTRACTOR must be approved in writing by COUNTY. If COUNTY does not approve any work in writing, no payment shall be due to CONTRACTOR for that work. The Overall System Operation and Support Maximum Contract Sums for year Fourteen and Option Year Fifteen shall be as set forth in Column E of the Table in subparagraph 7.3.3, and shall be broken down as follows:

- A. The Overall Outlet Equipment System Operation and Support Outlet equipment costs shall include 429 workstations. A workstation shall include one printer, one MICR reader, one monitor, one keyboard, one terminal controller, maintenance and overhead. As set forth in First Amended Exhibit BBBB, COUNTY shall subsidize \$127.41 per workstation to Benefits Issuance Outlets over existing costs currently paid by Benefits Issuance Outlets. However, in no event will COUNTY's obligation under this subparagraph exceed the amount set forth in First Amended Exhibit BBBB, Paragraph 11.3A.
- B. The System Operation and Support Outlet network connectivity costs are to be distributed equally between the Benefits Issuance Outlets. Benefits Issuance Outlets shall be subsidized by COUNTY. CONTRACTOR will be required to submit monthly invoices directly to Benefits Issuance Outlet Agents for payment. The Benefits Issuance Outlets shall pay invoiced costs directly to CONTRACTOR. The COUNTY shall pay CONTRACTOR for the System Operations and Support Outlet network connectivity costs as set forth in First Amended Exhibit BBBB, paragraph 11.3B. However, in no event will County's obligation under this subparagraph exceed the amount set forth in First Amended Exhibit BBBB, Paragraph 11.3B.
- C. Office of Information Technology (OIT) and the Auditor-Controller (A-C) and LEADER have outlet terminal connections. OIT simulates outlet workstations for purposes of testing system modifications. The A-C issues emergent warrants and LEADER transmits and receives files from ACS. The COUNTY shall pay CONTRACTOR for the LA County Network Connectivity costs as set forth in First Amended Exhibit BBBB, paragraph 11.3C. However, in no event will COUNTY's obligation under this subparagraph exceed the amount set forth in First Amended Exhibit BBBB, Paragraph 11.3C.
- D. Notwithstanding the above, for the first two months of the Pilot Program, referenced in Paragraph 52 of this Agreement, the COUNTY shall pay the full cost for the outlet equipment and connectivity costs for the Benefits Issuance Outlets that are located within a seven mile radius of the two Pilot Districts. However, in no event shall the COUNTY's obligation under this



subparagraph exceed the amount set forth in First Amended Exhibit BBBB, Paragraph 11.3D.”

13. Subparagraph 7.11 of Paragraph 7.0 (Contract Sums) is added as follows:

**“7.11 No Payment for Services Provided Following Expiration/Termination of Agreement**

CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this Agreement. Should CONTRACTOR receive any such payment, CONTRACTOR shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Agreement shall not constitute a waiver of COUNTY’s right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Agreement.”

14. Subparagraph 18.5.4. of Paragraph 18.0 (Ownership of L.A. FAIR Application Software, Data and Information and Transfer Rights), is added as follows.

**“18.5.4 Transfer Costs**

COUNTY and CONTRACTOR agree that all costs associated with COUNTY’s request for any or all COUNTY owned Software, System data and information shall be supplied on media acceptable to COUNTY at no charge to COUNTY.”

15. Subparagraph 36.1 of Paragraph 36.0 Termination For Convenience is deleted in its entirety and the following substituted in lieu thereof:

“36.1 This Agreement may be terminated, in whole or in part, from time to time, when such action is deemed by COUNTY to be in its best interest. Termination of work hereunder shall be effected by delivery to CONTRACTOR of a notice of termination specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than thirty days after the notice is sent, except as specifically provided for in Paragraph 36.6 below.”

16. Subparagraph 36.6 of Paragraph 36.0 Termination For Convenience is added as follows:

“36.6 If COUNTY’s termination is due to COUNTY’s conversion to an Electronic Benefits Transfer System, the COUNTY shall have the right to immediately terminate this agreement pursuant to this Paragraph 36. In such circumstance, termination shall be effective upon the date specified in COUNTY’s written notice to CONTRACTOR. Further, in such circumstance, CONTRACTOR shall invoice COUNTY and COUNTY shall pay amounts due to CONTRACTOR up to the effective date of termination as specified in subparagraphs 36.1 and 36.2.”

17. Paragraph 52.0 Electronic Benefit Transfer (EBT) System Transition is added to this Agreement as follows:

## **“52.0 ELECTRONIC BENEFIT TRANSFER (EBT) SYSTEM TRANSITION**

The COUNTY intends to implement a five (5) month Pilot Program to initiate the COUNTY's data transfer to the State Electronic Benefit Transfer (EBT) System. The Pilot Program will involve two DPSS Districts. As specified in paragraph 7.10(D), for the first two months of this Pilot Program, COUNTY shall pay the full cost for the outlet equipment and connectivity costs for the Benefits Issuance Outlets that are located within a seven mile radius of the two Pilot Districts.

Upon COUNTY's notification to CONTRACTOR of a successful completion of the Pilot Program, CONTRACTOR shall pick-up from any Benefits Issuance Outlet any CONTRACTOR owned equipment the Outlet determines will not be further used, at no charge to the Outlet or to the COUNTY and CONTRACTOR shall not invoice, and shall not be entitled to payment from, either the Benefits Issuance Outlet or the COUNTY for such equipment or connectivity costs from the date of the COUNTY's notification.

It is COUNTY'S intention, after completion of the Pilot Program, to roll out EBT to the remaining DPSS districts over a two-month period. Upon COUNTY's notification to CONTRACTOR of a successful completion of this roll out, CONTRACTOR shall pick up from all remaining Benefits Issuance Outlets all CONTRACTOR owned equipment, at no charge to the Outlet or to the COUNTY. CONTRACTOR shall pick up all such equipment within 30 days of receiving the notification from the COUNTY and, shall not invoice, and shall not be entitled to payment from either the Benefits Issuance Outlet or the COUNTY for any equipment or connectivity costs from the date of COUNTY's notification.

18. Paragraph 53.0 (Jury Service Program) is added to this Agreement.

## **“53.0 COMPLIANCE WITH JURY SERVICE PROGRAM**

### **A. Jury Service Program.**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service (“Jury Service Program”) as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

### **B. Written Employee Jury Service Policy.**

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a “Contractor” as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, at its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach."

19. Paragraph 55.0 (Safely Surrendered Baby Law) is added to this Agreement as follows:

**"55.0 SAFELY SURRENDERED BABY LAW**

CONTRACTOR shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. Such information is set for the in Exhibit 1."

20. Fourth Amended Exhibit B, titled "Food Stamp Pricing Schedule by Deliverable, Agreement Years One - Thirteen Rates" (last changed in Amendment #7), is deleted in its entirety and Fifth Amended Exhibit B, titled "Food Stamp Pricing Schedule by Deliverable, Agreement

Years One - Fourteen Rates and Option Year Fifteen Rates," attached hereto and incorporated herein by reference, is substituted in lieu thereof.

21. Fourth Amended Exhibit BB, titled "GOLD/CalWORKs Pricing Schedule by Deliverable, Agreement Years Three – Thirteen Rates" (last changed in Amendment #7), is deleted in its entirety and Fifth Amended Exhibit BB, titled "GOLD/CalWORKs Pricing Schedule by Deliverable, Agreement Years Three – Fourteen and Option Year Fifteen Rates," attached hereto and incorporated herein by reference, is substituted in lieu thereof.
22. Exhibit BBBB "LAFAIR System Operation & Support Agreement Years Eleven - Thirteen" (added in Amendment #7) is deleted in its entirety and First Amended Exhibit BBBB titled "LAFAIR System Operation & Support Agreement Years Eleven – Fourteen and Option Year Fifteen" attached hereto and incorporated by reference is substituted in lieu thereof.
23. Other Provisions of Agreement:

Except as provided in this Amendment, all other terms and conditions of Agreement shall remain in full force and effect.

**AMENDMENT NUMBER EIGHT TO**

**COUNTY OF LOS ANGELES AGREEMENT NUMBER 62784**

IN WITNESS WHEREOF, the County of Los Angeles Board of Supervisors has caused this Amendment Number Eight to COUNTY Agreement Number 62784 to be subscribed by its Chair and the seal of said Board to be affixed and attested by the Executive Officer and Clerk thereof, and CONTRACTOR has caused this Amendment Number Eight to be signed by its duly authorized officer, this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

**COUNTY OF LOS ANGELES**

By: \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS  
Executive Officer - Clerk  
Of the Board of Supervisors  
County of Los Angeles

By: \_\_\_\_\_  
Deputy

**AFFILIATED COMPUTER SERVICES (ACS),  
STATE AND LOCAL SOLUTIONS, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM:  
LLOYD W. PELLMAN  
County Counsel

By: \_\_\_\_\_  
County Counsel  
Public Services Division

**EXHIBIT 1**

**SAFELY SURRENDERED BABY LAW**

**FIFTH AMENDED EXHIBIT B  
FOOD STAMP PRICING SCHEDULE BY DELIVERABLE  
AGREEMENT YEARS ONE - FOURTEEN RATES WITH OPTIONAL YEAR 15**

<b><u>DELIVERABLE NUMBER</u></b>	<b><u>TITLE</u></b>	<b><u>RATE/PRICE</u></b>
10.	Food Stamp System Operation and Support*	
10.1	System Operation	
	<b>Years One - Six *</b>	
1.	Transaction Rates	
	1. Issuance Site On-Line Transactions	\$0.661
	2. DPSS Generated On-Line Transactions (Includes Temporary Issuance Card (TIC) Cost)	\$0.075
2.	Permanent Issuance Card (PIC) Cost	\$1.066
3.	Data Circuit Costs (pass through)	Actual
	<b>Years Seven - Ten</b>	
1.	Transaction Rates - Fixed Rate (Includes Issuance Site On-Line Transactions, DPSS Generated On-Line Transactions, Temporary Issuance Card (TIC) and Permanent Issuance Card (PIC) costs.)	\$4,154,721 per year
	<b>Years Eleven - Fourteen with Optional Year 15 Rates</b>	
1.	Transaction Rates - Fixed Rate (Includes Issuance Site On-line Transactions, DPSS Generated On-Line Transactions, Temporary Issuance Card (TIC) and Permanent Issuance Card (PIC) costs.)	\$4,528,644 per year
2.	Installation/Deinstallation (per DPSS district terminals)	
	<b>Year One Rate</b>	\$500.00 (per terminal)
	<b>Years Two - Eight Rate</b>	\$533.00 (per terminal)

**FIFTH AMENDED EXHIBIT B  
FOOD STAMP PRICING SCHEDULE BY DELIVERABLE (continued)**

**Years Nine - Ten Rate**

Removal of one or more terminals	\$160.00 (per visit)
Relocating within existing location	\$160.00 (per terminal)
Moving to new location	\$546.00 (per terminal)

**Years Eleven - Fourteen with Optional Year 15 Rate**

Removal of one or more terminals	\$174.00 (per visit)
Relocating within existing location	\$174.00 (per visit)
Moving to a new location	\$595.00 (per terminal)
Picking up all Outlet Equipment at Termination of Contract	No charge to County/Outlet****

10.2 Food Stamp System Modifications and Enhancements

Year One Rate	\$100.00/hr
Years Two - Seven Rate	\$106.60/hr
Years Eight - Ten Rate **	\$ 85.00/hr

**Years Eleven - Fourteen with Optional Year 15 Rate**      \$ 91.00/hr

\* Rates applicable in the event limitations of Subparagraph 7.3.1. of this Agreement are exceeded or numbers of Transactions fall below the volume set forth in Subparagraph 7.3.1. of this Agreement.

\*\* CONTRACTOR shall provide an initial 185 hours per month for Agreement years eight through ten for any system modifications and enhancements (GOLD, AFDC, or Food Stamps) at no charge to the COUNTY. Any systems modifications and enhancements above 185 hours per month will be billed at \$85.00 per hour.

\*\*\* CONTRACTOR shall provide an initial 125 hours per month for Agreement years eleven through fifteen for any system modifications and enhancements (GOLD, AFDC, LEADER or Food Stamps) at no charge to the COUNTY. Any systems modifications and enhancements above 125 hours per month will be billed at \$91.00 per hour.

\*\*\*\* At contract termination, Vendor is to pick up all LA FAIR Equipment at all Benefit Issuance Outlets and DPSS Offices at no charge to the County or Outlets.



**FIFTH AMENDED EXHIBIT BB**  
**GOLD/CalWORKs PRICING SCHEDULE BY DELIVERABLE**  
**AGREEMENT YEARS THREE - FOURTEEN RATES WITH OPTIONAL YEAR 15**

<u>DELIVERABLE NUMBER</u>	<u>TITLE</u>	<u>RATE/PRICE</u>
9.	Maintain CalWORKs/GR System Operations and Support	
9.1	System Operation	
	<b>Years Three - Eight Rate</b>	
1.	Transactions Rates	
a.	Issuance Site Check Printing (fixed rate per CalWORKs or GR transaction)	\$0.079
b.	DPSS Generated On-Line transaction for CalWORKs or GR (includes Temporary Issuance Card (TIC) Cost)	\$0.065
2.	Permanent Issuance Card (PIC) Cost (fixed rate per card - CalWORKs or GR)	\$1.066
	<b>Years Nine - Ten Rate</b>	
1.	<b>GOLD Transactions- Fixed Rate</b> (Includes Issuance Site Check Printing, DPSS generated On-Line transactions, Temporary Issuance Card (TIC) and Permanent Issuance Card (PIC) Costs)	\$110,000/yr
2.	<b>CalWORKs Transactions - Fixed Rate</b> (Includes Issuance Site Check Printing, DPSS generated On-Line transactions, Temporary Issuance Card (TIC) and Permanent Issuance Card (PIC) Costs)	\$288,000/yr
	<b>Years Eleven - Fourteen with Optional Year 15 Rates</b>	
1,	<b>GOLD Transactions - Fixed Rate</b> (Includes Issuance Site check Printing, DPSS generated On-Line transactions, Temporary Issuance Card (TIC) and Permanent Issuance Card (PIC) Costs)	\$119,904/yr
2.	<b>CalWORKs Transactions - Fixed Rate</b> (Includes Issuance site Check Printing, DPSS generated On-Line transactions, Temporary Issuance Card (TIC) and Permanent Issuance Card (PIC) Costs)	\$313,920/yr

**FIFTH AMENDED EXHIBIT BB**  
**GOLD/CalWORKs PRICING SCHEDULE BY DELIVERABLE (continued)**

9.2 System Support

1.	New Data Circuit Cost (pass through)	\$ actual
2.	Installation/Deinstallation	
	<b>Year Three - Eight Rate</b>	\$533.00 (per terminal)
	<b>Years Nine - Ten Rate</b>	
	Removal of one or more terminals	\$160.00 (per visit)
	Relocating within existing location	\$160.00 (per terminal)
	Moving to new location	\$546.00 (per terminal)
	<b>Years Eleven - Fourteen with Optional Year 15 Rate</b>	
	Removal of one or more terminals	\$ 174.00 (per visit)
	Relocating within existing location	\$ 174.00 (per visit)
	Moving to a new location	\$ 595.00 (per terminal)
3.	System Modifications and Enhancements (GR)	
	Years Three - Seven Rate	\$106.60/hr
	Years Eight - Ten Rate **	\$ 85.00/hr
	<b>Years Eleven - Fourteen with Optional Year 15 Rate ***</b>	\$ 91.00/hr
4.	Administration fee for GR Transportation Allowance (flat monthly rate)	
	Years Three - Ten	\$3,500/mo
	<b>Years Eleven - Fourteen with Optional Year 15</b>	\$3,815/mo
5.	CONTRACTOR outlet expansion costs	\$3,375/mo *

\* To be paid as needed pursuant to Subparagraph 8.1.3 - for years Eight - Ten.

**FIFTH AMENDED EXHIBIT BB**  
**GOLD/CalWORKs PRICING SCHEDULE BY DELIVERABLE (continued)**

Ongoing changes submitted by DPSS via the Change Service Request (CSR) process will be billed as follows:

- \*\* CONTRACTOR shall provide 125 hours per month for any system modifications and enhancements (aggregate for GOLD, CalWORKs, LEADER and/or Food Stamps) at no charge to COUNTY.
- \*\*\* CONTRACTOR shall provide a monthly accounting of the use of the 125 hours. Monthly charges over and above these hours will be reflected on CONTRACTOR's monthly billing invoice at the fixed rate of \$91.00 per hour.

**FIRST AMENDED EXHIBIT BBBB  
LA FAIR SYSTEM OPERATION & SUPPORT  
AGREEMENT YEARS ELEVEN - FOURTEEN WITH OPTIONAL YEAR 15 RATES**

11. LA FAIR System Operation & Support

11.1 System Operation

**Years Eleven - Thirteen**

A.	Outlet Equipment	\$1,016,099/per year
B.	Outlet Network Connectivity	\$2,109,000/per year
C.	LA County Network Connectivity	\$ 71,355/per year
D.	Network Conversion	\$ 352,000/year 11
E.	Analog Line Charges	\$ 300,000/year 11
F.	Hardware Charges	\$ 10,000/year 11

11.2 System Modifications and Enhancements \*

<b>Years Eleven - Thirteen</b>	\$ 91.00/hr
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\* Contractor shall provide an initial 125 hours per month for Agreement years eleven through thirteen for any system modifications and enhancements (GOLD, CalWORKs, LEADER, OR Food Stamps) at no charge to the County. Any systems modifications and enhancements above 125 hours per month will be billed at \$91.00 per hour

11.3 System Operation

**Years Fourteen - Optional Year Fifteen**

A.	Outlet Equipment (\$247.41 per terminal, County pays \$127.41 each)	\$ 655,907/year
B.	Outlet Network Connectivity (\$2,824.46 per line, County pays \$1,486.55 per line)	\$ 1,796,348/year
C.	LA County Network Connectivity (includes OIT, Warrant Investigations and LEADER)	\$ 101,680/year
D.	EBT Transitional Costs ***	\$ 100,434/two months

**FIRST AMENDED EXHIBIT BBBB**  
**LA FAIR SYSTEM OPERATION & SUPPORT (continued)**

11.4 System Modifications and Enhancements \*\*

**Years Fourteen - Optional Year Fifteen** \$ 91.00/HR

11.5 Removal of all LA FAIR Equipment at Outlets  
and DPSS Offices at termination of Contract

**Years Fourteen - Optional Year Fifteen** No charge to County or Outlets

\*\* Contractor shall provide an initial 125 hours per month for Agreement years eleven through thirteen for any system modifications and enhancements (GOLD, CalWORKs, LEADER, OR Food Stamps) at no charge to the County. Any systems modifications and enhancements above 125 hours per month will be billed at \$91.00 per hour

\*\*\* EBT Transitions costs. County will pay two months equipment and outlet connectivity for the 28 outlets that are in a seven mile radius of the two Pilot Districts, in order to maintain that all LA FAIR outlets are up and operational in the event that EBT is not successfully piloted.

**AMENDMENT NUMBER FIVE  
FOOD STAMP ISSUANCE AGENT AGREEMENT  
BY AND BETWEEN  
THE COUNTY OF LOS ANGELES  
AND  
CONTINENTAL CURRENCY SERVICES, INC.**

Reference is being made to the document entitled "Food Stamp Issuance Agent Agreement by and between the COUNTY of Los Angeles and Continental Currency Services, Inc.," dated June 26, 1990 and its Amendments dated March 30, 1993, February 8, 1994, May 13, 1997 and June 6, 2000, further identified as COUNTY Agreement Number 63332, hereafter identified as "Agreement."

Following approval by Los Angeles COUNTY's Board of Supervisors or designee, the Agreement is revised effective June 1, 2003 or the date of approval, whichever occurs later, as noted in the following additional or revised language:

To ARTICLE VIII, INDEMNIFICATION AND INSURANCE REQUIREMENTS, Paragraph 29 and Paragraph 30 are replaced in their entirety.

**29. INDEMNIFICATION**

CONTRACTOR agrees to indemnify, defend, and hold harmless COUNTY and its Special Districts, elected and appointed officers, employees, and agents from

and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with CONTRACTOR's acts and/or omissions arising and/or relating to this Agreement.

### 30. INSURANCE

#### 30.1 **General Insurance Requirements**

Without limiting CONTRACTOR's indemnification of COUNTY and during the term of this Agreement, CONTRACTOR shall provide and maintain, and shall require all subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by COUNTY, and such coverage shall be provided and maintained at CONTRACTOR's own expense.

30.1.1 **Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to COUNTY shall be delivered to **Michelle Callahan, Administrator, Benefits Issuance/Special Payments Section, P.O. Box 761219, Los Angeles, California 90076-1219** prior to commencing services under this Agreement. Such certificates or other evidence shall:

30.1.1.1 Specifically identify this Agreement.

30.1.1.2 Clearly evidence all coverages required in this Agreement.

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- 30.1.1.3 Contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance.
  - 30.1.1.4 Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insured's for all activities arising from this Agreement.
  - 30.1.1.5 Identify any deductibles or self-insured retentions for COUNTY's approval. The COUNTY retains the right to require CONTRACTOR to reduce or eliminate such deductibles or self-insured retentions as they apply to COUNTY, or require CONTRACTOR to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.
- 30.1.2 **Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the COUNTY with an A.M. Best rating of not less than A:VII, unless otherwise approved by COUNTY.



30.1.3 **Failure to Maintain Coverage:** Failure by CONTRACTOR to maintain the required insurance, or to provide evidence of insurance coverage acceptable to COUNTY, shall constitute a material breach of the contract upon which COUNTY may immediately terminate or suspend this Agreement. COUNTY, at its sole discretion, may obtain damages from CONTRACTOR resulting from said breach. Alternatively, COUNTY may purchase such required insurance coverage, and without further notice to CONTRACTOR, COUNTY may deduct from sums due to CONTRACTOR or may invoice CONTRACTOR for any premium costs advanced by COUNTY for such insurance.

30.1.4 **Notification of Incidents, Claims or Suits:** CONTRACTOR shall report to COUNTY:

30.1.4.1 any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against CONTRACTOR and/or COUNTY. Such report shall be made in writing within 24 hours of occurrence.

30 1.4.2 any third party claim or lawsuit filed against CONTRACTOR arising from or related to services performed by CONTRACTOR under this Agreement.

- 30.1.4.3 any injury to a CONTRACTOR employee which occurs on COUNTY property. This report shall be submitted on a COUNTY "Non-employee Injury Report" to the COUNTY Contract Manager.
- 30.1.4.4 any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of COUNTY property, Food Stamp coupons, blank County check stock, monies or securities entrusted to CONTRACTOR under terms of this Agreement. Such report shall be made in writing within 24 hours of the occurrence. In addition local law enforcement must also be notified and a report number provided to COUNTY within 24 hours, to be followed up with a copy of the written police report within fifteen calendar days.
- 30.1.5 **Compensation for County Costs:** in the event that CONTRACTOR fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to COUNTY, CONTRACTOR shall pay full compensation for all costs incurred by COUNTY.
- 30.1.6 **Insurance Coverage Requirements for Subcontractors:** CONTRACTOR shall ensure any and all subcontractors performing services under this Agreement meet the insurance requirements of this Agreement by either:

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- 30.1.6.1 CONTRACTOR providing evidence of insurance covering the activities of subcontractors, or
- 30.1.6.2 CONTRACTOR providing evidence submitted by sub contractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

30.2 **Insurance Coverage Requirements**

- 30.2.1 General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury	\$1 million
Each Occurrence:	\$1 million

- 30.2.2 Automobile Liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto."

- 30.2.3 Workers Compensation and Employers Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state,

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and for which CONTRACTOR is responsible. If CONTRACTOR's employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which CONTRACTOR is responsible. In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee	\$1 million

30.2.4 Professional Liability: Insurance covering liability arising from any error, omission, negligent or wrongful act of the CONTRACTOR, its officers or employees with limits of not less than \$1 million per occurrence and \$3 million aggregate. This coverage also shall provide an extended two year report period commencing upon termination or cancellation of this Agreement.

30.2.5 Crime Coverage: Insurance with limits in amounts not less than the total highest face value of food stamp coupons on CONTRACTOR's premises plus \$100,000 for County check stock covering against loss of money, securities, or other property referred to in this Agreement and naming the COUNTY as loss payee. Such insurance shall provide coverage for:

- Employee Dishonesty

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- Forgery or Alteration
- Theft, Disappearance and Destruction
- Computer Fraud
- Burglary and Robbery

If CONTRACTOR elects to provide crime insurance with a deductible, CONTRACTOR shall be required to provide a surety bond in an amount equal to the crime insurance deductible. Such bond shall be payable to the County of Los Angeles and executed by a corporate surety licensed to transact business as a surety in the State of California. Said bond shall be conditioned upon terms and conditions of the Agreement and shall cover the loss, damage, destruction of food stamp coupons, issuance receipts, or ATPs and County check stock. Such bond shall provide for continuing liability in the above amount notwithstanding any payment or recovery thereon.

In lieu of said policy of crime insurance, CONTRACTOR may, at Director's discretion, provide a certificate of deposit (CD) or an irrevocable letter of credit (LOC) in an amount equal to the total face value of food stamp coupons, County check stock, issuance receipts and ATP's in its possession or control, payable to Los Angeles County in the event of any such losses as are herein described.

- 30.6. **EDP and Related Costs Security**: A surety bond payable to **Affiliated Computer Services, Inc., State & Local Solutions (ACS), 3434 W. 6<sup>th</sup> Street, Suite 400, Los Angeles, California 90020**, in the amount of

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\$1,170,956.10 for twenty-four (24) outlets (see Attachment A) as a guarantee of CONTRACTOR's obligation for payment for EDP and related costs required pursuant to Paragraph 80, CONTRACTOR PAYMENT OBLIGATIONS. Such surety bond shall be provided by CONTRACTOR at the time CONTRACTOR signs this Amendment. The surety bond shall not be subject to termination and shall remain in effect for twelve (12) months with twelve one-month renewal options. Such bond shall recite that it secures the payment obligations of CONTRACTOR under this Benefits Issuance Agent Agreement between Los Angeles COUNTY and CONTRACTOR.

In lieu of a surety bond, a certificate of deposit (CD), or cashier's check made payable to Affiliated Computer Services, Inc., State & Local Solutions in the above referenced amount is acceptable. Such CD or cashier's check shall comply with minimum criteria and standards established by ACS and be maintained throughout the term of the Agreement.

ARTICLE X, DURATION AND TERMINATION OF AGREEMENT, Paragraph 35, is revised as follows:

35. Unless terminated for cause or for other reasons stipulated herein, the term of this Agreement shall **commence upon the execution of the Agreement by the COUNTY's Board of Supervisors and shall expire May 31, 2004 or until implementation of Electronic Benefits Transfer (EBT) by Los Angeles County, whichever is earlier. The COUNTY shall have the sole option to extend the Agreement month-to-month for a total of 12 months through May 31, 2005. The option months shall be exercised by the Director,**

**Department of Public Social Services (DPSS) or his designee. The provisions of this Amendment shall become effective June 1, 2003.**

ARTICLE XII, MISCELLANEOUS PROVISIONS, Paragraph 66, Subparagraph b. is revised as follows:

66. NOTICES

b. Notices to COUNTY:

Notices and envelopes containing same to COUNTY shall be addressed to:

**Michelle Callahan, Chief  
General Services Division  
Department of Public Social Services  
P. O. Box 761219  
Los Angeles, California 90076-1219**

Paragraph 80 is replaced in its entirety:

80. CONTRACTOR PAYMENT OBLIGATIONS

CONTRACTOR shall be responsible for timely payment to:

- a. COUNTY's L.A. FAIR contractor, Affiliated Computer Services, Inc., State & Local Solutions (ACS) for cost to CONTRACTOR for Electronic Data Processing (EDP) and related costs (see Attachment A for these costs).

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CONTRACTOR shall remit payment by the due date set forth on ACS' invoice for such charges, and payment shall be made directly to ACS.

CONTRACTOR's outlets in the area designated by COUNTY as 'Pilot Districts' (see Attachment D) will not be responsible for payment nor will CONTRACTOR receive an invoice from ACS for EDP costs for the first two months of the Electronic Benefits Transfer (EBT) pilot in Los Angeles County, scheduled for the months of August 2003 and September 2003. COUNTY will pay the EDP costs for those outlets in the designated areas for the first two months of the EBT pilot .

CONTRACTOR's, with outlets in the EBT pilot designated areas, in the third month of the pilot may:

- elect to continue to operate as a benefits issuance outlet and resume responsibility to pay all EDP and related costs,
- reduce the number of terminals in each outlet to a minimum of two and resume the responsibility to pay EDP and related costs for the reduced number of terminals, or
- cease all benefits issuance activities in the designated pilot areas, return all EDP and related equipment and end all responsibility for EDP and related costs for these outlets.

In the event CONTRACTOR does not provide payment to ACS:



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1. ACS may initiate any and all actions, including but not limited to, filing a claim against CONTRACTOR's EDP surety bond and or pursuing any legal recourse against CONTRACTOR to obtain funds sufficient to provide payment to ACS for EDP and related costs.
  2. ACS, with the prior written consent of COUNTY's Department of Public Social Services, General Services Division, Benefits Issuance Administrator may, after sixty (60) calendar days with no payment by CONTRACTOR, suspend electronic data processing transmission to CONTRACTOR's benefits issuance outlet. See also Paragraph 40.k.
- b. COUNTY contracts with three bulk storage vendors who provide secured storage and armored delivery service for transit of Food Stamp coupons and COUNTY blank check stock to Benefits Issuance Agents. CONTRACTOR shall choose any one of the three COUNTY bulk storage vendors to provide this service. A copy of the resultant agreement between COUNTY's bulk storage vendor and CONTRACTOR shall be provided to COUNTY within fifteen (15) calendar days of signing the agreement.

Paragraphs 85, 86 and 87 are revised as noted in bold as follows:

85. **CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

CONTRACTOR acknowledges that COUNTY has established a goal of ensuring that all individuals who benefit financially from COUNTY through contract are in compliance with their court-ordered child, family and spousal support obligations

in order to mitigate the economic burden otherwise imposed upon COUNTY and its taxpayers.

As required by COUNTY's Child Support Compliance Program (County Code Chapter 2.200) and without limiting CONTRACTOR's duty under this Agreement to comply with all applicable provisions of law, CONTRACTOR warrants that it is now in compliance and shall, during the term of this Agreement, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or **Child Support Services Department (CSSD) Notices** of Wage and Earnings Assignment for Child Support or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

86. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of CONTRACTOR to maintain compliance with the requirement set forth in Paragraph 85, CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM, shall constitute a default by CONTRACTOR under this Agreement. Without limiting the rights and remedies available to COUNTY under any other provision of this Agreement, failure to cure such default within ninety (90) days of notice by the Los Angeles County **CSSD** shall be grounds upon which the COUNTY Board of Supervisors may terminate this Agreement pursuant to ARTICLE X, DURATION AND TERMINATION OF AGREEMENT.

87. CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO  
CHILD SUPPORT ENFORCEMENT

CONTRACTOR acknowledges that COUNTY places a high priority on the enforcement of child support laws and the apprehension of child support evaders. CONTRACTOR understands that it is COUNTY's policy to encourage all COUNTY contractors to voluntarily post COUNTY's *L.A.'s Most Wanted: Delinquent Parents* poster in a prominent position at CONTRACTOR's place of business. COUNTY's **CSSD** will supply CONTRACTOR with the poster to be used.

New Paragraphs are added, as follows:

90. GOVERNING LAW AND VENUE

90.1 This Agreement shall be governed by and construed in accordance with and governed by the laws of the State of California.

90.2 Any reference to a specific statute, regulation, or other law is deemed to include a reference to any amendment thereto as of the effective date of such amendment; further, this Agreement shall be interpreted, and the parties' duties and obligations under this Agreement shall be consistent with, any amendment to the applicable statute, regulation, or any other law which occurs after the effective date of this Agreement.

90.3 CONTRACTOR agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought under shall be exclusively in the COUNTY of Los Angeles, California, Central Civil Division.

## 91. COMPLIANCE WITH JURY SERVICE PROGRAM

### 91.1 Jury Service Program

This Agreement is subject to the provisions of the COUNTY's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

### 91.2 Written Employee Jury Service Policy

91.2.1 Unless CONTRACTOR has demonstrated to the COUNTY's satisfaction either that CONTRACTOR is not a "Contractor" as defined under the Jury Service Program (section 2.203.020 of the County Code) or that CONTRACTOR qualifies for an exception to the Jury Service Program (2.203.070 of the County Code). CONTRACTOR shall have and adhere to a written policy that provides that its employees shall receive from the CONTRACTOR, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the

CONTRACTOR or that the CONTRACTOR deduct from the Employee's regular pay the fees received for jury service.

91.2.2 For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the COUNTY or a subcontract with a COUNTY contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more COUNTY contracts or subcontracts. "Employee" means any California resident who is a full-time employee of CONTRACTOR. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is recognized industry standard as determined by the COUNTY, or 2) CONTRACTOR has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If CONTRACTOR uses any subcontractor to perform services for the COUNTY under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted unto any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreements.

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- 91.2.3 If CONTRACTOR is not required to comply with the Jury Service Program when the Contract commences, CONTRACTOR shall have a continuing obligation to review the applicability of its “exception status” from the Jury Service Program, and CONTRACTOR shall immediately notify County if CONTRACTOR at any time either comes within the Jury Services Program’s definition of “Contractor” or if CONTRACTOR no longer qualifies for an exception to the Program. In either event, CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. The COUNTY may also require, at any time during the Contract and at its sole discretion, that CONTRACTOR demonstrate to the COUNTY’s satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program’s definition of “Contractor” and/or that CONTRACTOR continues to qualify for an exception to the Program.
- 91.2.4 CONTRACTOR’s violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate the Contract and/or bar CONTRACTOR from award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.

92. **SAFELY SURRENDERED BABY LAW**

CONTRACTOR shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. Such information is set forth in Attachment E.

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All other terms and conditions remain in effect.

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles, on April 29, 2003 delegated to the Director, DPSS authority to approve this Amendment Number Five and CONTRACTOR has caused this Amendment to be subscribed in its behalf by its duly authorized officer(s), the day, month and year first above written.

**COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

By \_\_\_\_\_  
Bryce Yokomizo, Director

\_\_\_\_\_  
Date

**CONTINENTAL CURRENCY SERVICES,  
INC.**

By \_\_\_\_\_  
Fred Kunik, President

**APPROVED AS TO FORM:**

**Lloyd W. Pellman  
COUNTY COUNSEL**

By \_\_\_\_\_  
Kelly M. Auerbach Hassel, Deputy County Counsel





## ATTACHMENT A

Site Address	Site Number	No. Teller Stations	Teller station equip., lease, and maintenance, monthly	Network connectivity, hardware lease and maintenance, monthly	Total Monthly Costs
SELA 12854 Pioneer Norwalk, California 90650	5209	5	\$ 600.00	\$1,337.91	\$1,937.91
SELA 3461 E Artesia Long Beach, California 90805	5210	8	\$ 960.00	\$1,337.91	\$2,297.91
Jet 8607 S Broadway Los Angeles, California 90003	5403	5	\$ 600.00	\$1,337.91	\$1,937.91
Jet 148 E Compton Compton, California 90220	5404	7	\$ 840.00	\$1,337.91	\$2,177.91
Jet 1457 E Florence Los Angeles, California 90001	5405	5	\$ 600.00	\$1,337.91	\$1,937.91

Site Address	Site Number	No. Teller Stations	Teller station equip., lease, and maintenance, monthly	Network connectivity, hardware lease and maintenance, monthly	Total Monthly Costs
Jet 5860 S. Vermont Los Angeles, California 90044	5406	6	\$ 720.00	\$1,337.91	\$2,057.91
Cash It Here 655 S Spring Los Angeles, California 90014	5552	5	\$ 600.00	\$1,337.91	\$1,937.91
Cash It Here 2417 E Cesar Chavez Los Angeles, California 90013	5553	6	\$ 720.00	\$1,337.91	\$2,057.91
Cash It Here 3010 San Gabriel Rosemead, California 91770	5554	5	\$ 600.00	\$1,337.91	\$1,937.91
Cash it Here 2100 W 7th Street Los Angeles, CA 90057	5555	8	\$ 960.00	\$1,337.91	\$2,297.91

Site Address	Site Number	No. Teller Stations	Teller station equip., lease, and maintenance, monthly	Network connectivity, hardware lease and maintenance, monthly	Total Monthly Costs
Cash It Here 1533 S. Garey Pomona, CA 91766	5557	5	\$ 600.00	\$1,337.91	\$1,937.91
Cash It Here 5632 E. Whittier Los Angeles, CA 90022	5558	5	\$ 600.00	\$1,337.91	\$1,937.91
Cash It Here 6821 A Eastern Bell Gardens, CA 90201	5559	5	\$ 600.00	\$1,337.91	\$1,937.91
Cash It Here 8116 Long Beach South Gate, CA 90280	5560	4	\$ 480.00	\$1,337.91	\$1,817.91
Community Check Cashers 6401 Hollywood Blvd Los Angeles, CA 90028	6752	7	\$840.00	\$1,337.91	\$2,177.91

Site Address	Site Number	No. Teller Stations	Teller station equip., lease, and maintenance, monthly	Network connectivity, hardware lease and maintenance, monthly	Total Monthly Costs
Community Check Cashers 4020 W. Washington Los Angeles, CA 90018	6753	6	\$ 720.00	\$1,337.91	\$2,057.91
Community Check Cashing 11220 S Crenshaw Inglewood, CA 90303	6754	7	\$ 840.00	\$1,337.91	\$2,177.91
Community Check Cashing 1298 N Lake Pasadena, CA 91103	6755	6	\$ 720.00	\$1,337.91	\$2,057.91
Community Check Cashing 1301 N. Long Beach 90801	6756	8	\$ 960.00	\$1,337.91	\$2,297.91
Community Check Cashing 1200 S Brand Glendale, CA 91206	6757	7	\$ 840.00	\$1,337.91	\$2,177.91

Site Address	Site Number	No. Teller Stations	Teller station equip., lease, and maintenance, monthly	Network connectivity, hardware lease and maintenance, monthly	Total Monthly Costs
Community Check Cashing 303 Lincoln Venice, CA 90201	6758	4	\$ 480.00	\$1,337.91	\$1,817.91
Community Check Cashing 12773 Van Nuys Pacoima, CA 91331	6759	5	\$600.00	\$1,337.91	\$1,937.91
Community Check Cashing 10716 Washington Culver City, CA 90230	6760	4	\$480.00	\$1,337.91	\$1,817.91
Community Check Cashing 237 Long Beach Blvd Long Beach, CA 90802	6761	6	\$720.00	\$1,337.91	\$2,057.91
				<b>TOTAL MONTHLY</b>	<b>\$48,789.84</b>
MISCELLANEOUS COST				<b>Printer ribbon</b>	<b>\$4 to \$6 (each)</b>

### RELOCATION COSTS

Telecom installation, dedicated line and dial back-up line (estimated)	\$4,000.00
Equipment move, one time only cost, per terminal to another location	\$ 595.00
Equipment move, one time only cost, per visit in the same location	\$ 174.00
Site Inspections and Visits	\$ 75.00
Issuance agent is responsible for arranging for and payment of costs required for installation of dedicated electrical lines and wiring for teller stations	

## ATTACHMENT B

	<b>NAME OF REPORT</b>	<b>DUE DATE</b>
	FNS 250, Food Coupon Accountability Report	15th
	FNS 300, Advice of Transfer	15th
	FNS 135, Affidavit for Return/Exchange of Food Coupons	15th
	FNS 471, Coupon Accountability and Destruction Report	15th
	Issuance Difference Letter to FCS	15th
	Bus Token Reimbursement	15th
	Monthly Food Stamp Transaction Summary	15th
	PF9, Month-To-Date Report(s)	15th
	PF10, Monthly Site Report(s)	15th
	EBAT Log(s)	15th
	Equipment Trouble Log(s).	15th
	GA8 Monthly County Check Stock Recon. Report	15th
	GA3 County Check Stock Advice of Transfer	15th
	GA5 County Check Stock Void Report	15th
	FNS 250 Revisions	As required
	Semi-Annual CPA Reports	May 1 and November 1
	Issuance Receipts, DI-ATP's	15th

Specific instructions for completion and submission of the individual reports listed herein are contained in the Benefits Issuance Agents' Handbook.



## Mail Issuance

### ATTACHMENT C

In addition to payment of a standardized transaction fee, CONTRACTOR will be entitled to a handling fee of \$2.50 per transaction as compensation for employee time and verified costs in providing mail issuance service to County's eligible participants.

Notwithstanding the above provisions of this paragraph, CONTRACTOR shall issue food stamp coupons **and checks** by mail to participant households who are residents of Catalina Island and other remote areas, to eligible participants who no longer reside in Los Angeles County **and to participants, County-wide, who did not receive all of the benefits to which they were entitled via the LA FAIR system prior to the implementation of EBT** and who request such service in writing from CONTRACTOR and COUNTY.

CONTRACTOR shall maintain separate and complete records of each request from participants of Catalina Island and other remote areas in a "Remote Area Mail Issuance File," and a separate and complete record of each request from non-COUNTY residents in a "Non-Resident Issuance File," **and to "County-wide post EBT LA FAIR Issuances"** to include copies of the requesting household's completed and signed PA 1857, "Authorized Representative for the Food Stamp Household," all Post Office receipts, and all food stamp/**County check** issuance receipts.

CONTRACTOR shall mail the requesting household's food stamp coupons and County checks to the household at the household's address of record via certified mail, and obtain a return receipt showing when, where, and to whom the coupons **and County checks** were to be delivered. CONTRACTOR shall provide COUNTY with verification of all Catalina Island, other remote areas, non-COUNTY resident, **benefits after EBT** mail issuance expenses at the same time CONTRACTOR submits the FNS 250 report to obtain payment for all transactions performed during the preceding month.

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
METRO EAST DISTRICT  
2855 E. Olympic Boulevard  
Los Angeles, CA 90023**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
5553	Cash It Here	2417 E. Cesar Chavez Blvd. Los Angeles, CA 90033
5554	Cash It Here	3010 N. San Gabriel Blvd. Rosemead, CA 91770
5558	Cash It Here	5632 E. Whittier Blvd. Los Angeles, CA 90022
5559	Cash It Here	6821-A Eastern Ave. Bell Gardens, CA 90201
5560	Cash It Here	8116 Long Beach Blvd. South Gate, CA 90280
8102	California Quik Check	4137 E. Gage Avenue Bell, CA 90201
2752	Continental Currency	5623 Whittier Blvd. Los Angeles, CA 90022
3317	Nix Check Cashing #12	5925 S. Atlantic Blvd. Maywood, CA 90270

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
METRO EAST DISTRICT (Cont)**

3335	Nix Check Cashing #37	2750 E. 1 <sup>st</sup> Street Los Angeles, CA 90033
3338	Nix Check Cashing #57	4940 Huntington Drive Los Angeles, CA 90032
3344	Nix Check Cashing #59	5411 N. Figueroa Street Los Angeles, CA 90042

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
SOUTH CENTRAL DISTRICT  
10728 S. Central Avenue  
Los Angeles, CA 90059**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
5403	Jet Food Stamp Center	8607 S. Broadway Los Angeles, CA 90003
5404	Jet Food Stamp Center	148 E. Compton Blvd. Compton, CA 90220
5406	Jet Food Stamp Center	5860 S. Vermont Avenue Los Angeles, CA 90044
1203	WLCAC	10954 S. Central Avenue Los Angeles, CA 90059
8103	California Quik Check	3646 E. Imperial Highway Lynwood, CA 90262
3306	Nix Check Cashing #3	740 W. Compton Blvd. Compton, CA 90221
8107	California Quik Check	1445 W. Century Blvd. Los Angeles, CA 90047
8524	Golden Express	2211 N. Long Beach Blvd. Compton, CA 90221

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
SOUTH CENTRAL DISTRICT (Cont)**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
3302	Nix Check Cashing #9	653 E El Segundo Los Angeles, CA 90059
3304	Nix Check Cashing # 1	1969 E. Firestone Boulevard Los Angeles, CA 90001
3308	Nix Check Cashing #2	11401 S. Figueroa Street Los Angeles, CA 90061
3310	Nix Check Cashing #31	10005 S. Central Avenue Los Angeles, CA 90002
3311	Nix Check Cashing #24	1015 W. Florence Boulevard Los Angeles, CA 90044
3328	Nix Check Cashing #30	1651 E. 103 <sup>rd</sup> Street Los Angeles, CA 90002
3331	Nix Check Cashing #49	11840 S. Wilmington Avenue Willowbrook, CA 90059

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
SOUTH CENTRAL DISTRICT (Cont)**

3340	Nix Check Cashing #51	1602 Rosecrans Blvd. Compton, CA 90220
3343	Nix Check Cashing #56	11325 Long Beach Blvd. Lynwood, CA 9026

**AMENDMENT NUMBER THREE**  
**FOOD STAMP ISSUANCE AGENT AGREEMENT**  
**BY AND BETWEEN**  
**THE COUNTY OF LOS ANGELES**  
**AND**  
**THOMAS NIX DISTRIBUTORS, INC.**

Reference is being made to the document entitled "Food Stamp Issuance Agent Agreement by and between the County of Los Angeles and Thomas Nix Distributors, Inc.," dated July 26, 1994 and its Amendments dated May 13, 1997 and June 6, 2000 and further identified as County Agreement Number 67714, hereinafter identified as "Agreement."

Following approval by Los Angeles County's Board of Supervisors or designee, the Agreement is revised effective June 1, 2003 or the date of approval, whichever occurs later, as noted in **bold**, by the following additional or revised language:

To ARTICLE VIII, INDEMNIFICATION AND INSURANCE REQUIREMENTS,  
Paragraphs 29 and 30 are replaced in their entirety as follows:

29. INDEMNIFICATION

CONTRACTOR agrees to indemnify, defend, and hold harmless COUNTY and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with CONTRACTOR's acts and/or omissions arising and/or relating to this Agreement.

30. INSURANCE

30.1 **General Insurance Requirements**

Without limiting CONTRACTOR's indemnification of COUNTY and during the term of this Agreement, CONTRACTOR shall provide and maintain, and shall require all subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by COUNTY, and such coverage shall be provided and maintained at CONTRACTOR's own expense.

30.1.1 **Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to COUNTY shall be delivered to **Michelle Callahan, Administrator, Benefits Issuance/Special Payments Section, P.O. Box 761219, Los Angeles, California 90076-1219** prior to commencing services under this Agreement. Such certificates or other evidence shall:



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TO  
AGREEMENT #67714

- 30.1.1.1 Specifically identify this Agreement.
- 30.1.1.2 Clearly evidence all coverages required in this Agreement.
- 30.1.1.3 Contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance.
- 30.1.1.4 Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Agreement.
- 30.1.1.5 Identify any deductibles or self-insured retentions for COUNTY's approval. The COUNTY retains the right to require CONTRACTOR to reduce or eliminate such deductibles or self-insured retentions as they apply to COUNTY, or require CONTRACTOR to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees,

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TO  
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or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

30.1.2 **Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the COUNTY with an A.M. Best rating of not less than A:VII, unless otherwise approved by COUNTY.

30.1.3 **Failure to Maintain Coverage:** Failure by CONTRACTOR to maintain the required insurance, or to provide evidence of insurance coverage acceptable to COUNTY, shall constitute a material breach of the contract upon which COUNTY may immediately terminate or suspend this Agreement. COUNTY, at its sole discretion, may obtain damages from CONTRACTOR resulting from said breach. Alternatively, COUNTY may purchase such required insurance coverage, and without further notice to CONTRACTOR, COUNTY may deduct from sums due to CONTRACTOR or may invoice CONTRACTOR for any premium costs advanced by COUNTY for such insurance.

30.1.4 **Notification of Incidents, Claims or Suits:** CONTRACTOR shall report to COUNTY:

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- 30.1.4.1 any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against CONTRACTOR and/or COUNTY. Such report shall be made in writing within 24 hours of occurrence.
- 30 1.4.2 any third party claim or lawsuit filed against CONTRACTOR arising from or related to services performed by CONTRACTOR under this Agreement.
- 30.1.4.3 any injury to a CONTRACTOR employee which occurs on COUNTY property. This report shall be submitted on a COUNTY "Non-employee Injury Report" to the COUNTY Contract Manager.
- 30.1.4.4 any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of COUNTY property, Food Stamp coupons, blank County check stock, monies or securities entrusted to CONTRACTOR under terms of this Agreement. Such report shall be made in writing within 24 hours of the occurrence. In addition local law enforcement must also be notified and a report number provided to COUNTY within 24 hours, to be followed up with a copy of the written police report within fifteen calendar days.

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30.1.5 **Compensation for County Costs:** in the event that CONTRACTOR fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to COUNTY, CONTRACTOR shall pay full compensation for all costs incurred by COUNTY.

30.1.6 **Insurance Coverage Requirements for Subcontractors:** CONTRACTOR shall ensure any and all subcontractors performing services under this Agreement meet the insurance requirements of this Agreement by either:

30.1.6.1 CONTRACTOR providing evidence of insurance covering the activities of subcontractors, or

30.1.6.2 CONTRACTOR providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

30.2 **Insurance Coverage Requirements**

30.2.1 General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury	\$1 million
Each Occurrence:	\$1 million

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TO  
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30.2.2      Automobile Liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all “owned”, “hired” and “non-owned” vehicles, or coverage for “any auto.”

30.2.3      Workers Compensation and Employers Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which CONTRACTOR is responsible. If CONTRACTOR’s employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers’ Compensation Act, Jones Act or any other federal law for which CONTRACTOR is responsible. In all cases, the above insurance also shall include Employers’ Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee	\$1 million

30.2.4      Professional Liability: Insurance covering liability arising from any error, omission, negligent or wrongful act of the CONTRACTOR, its officers or employees with limits of not less than \$1 million per occurrence and \$3 million aggregate. This coverage also shall provide an extended two year report period commencing upon termination or cancellation of this Agreement.

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TO  
AGREEMENT #67714

30.2.5 Crime Coverage: Insurance with limits in amounts not less than the total highest face value of food stamp coupons on CONTRACTOR's premises plus \$100,000 for County check stock covering against loss of money, securities, or other property referred to in this Agreement and naming the COUNTY as loss payee. Such insurance shall provide coverage for:

- Employee Dishonesty
- Forgery or Alteration
- Theft, Disappearance and Destruction
- Computer Fraud
- Burglary and Robbery

If CONTRACTOR elects to provide crime insurance with a deductible, CONTRACTOR shall be required to provide a surety bond in an amount equal to the crime insurance deductible. Such bond shall be payable to the County of Los Angeles and executed by a corporate surety licensed to transact business as a surety in the State of California. Said bond shall be conditioned upon terms and conditions of the Agreement and shall cover the loss, damage, destruction of food stamp coupons, issuance receipts, or ATPs and County check stock. Such bond shall provide for continuing liability in the above amount notwithstanding any payment or recovery thereon.

In lieu of said policy of crime insurance, CONTRACTOR may, at Director's discretion, provide a certificate of deposit (CD) or an

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irrevocable letter of credit (LOC) in an amount equal to the total face value of food stamp coupons, County check stock, issuance receipts and ATP's in its possession or control, payable to Los Angeles County in the event of any such losses as are herein described.

- 30.6. EDP and Related Costs Security: A surety bond payable to Affiliated Computer Services, Inc. (ACS), State & Local Solutions, 3434 W. 6<sup>th</sup> Street, Suite 400, Los Angeles, California 90020 in the amount of \$89,179.68 for two (2) outlets listed on Attachment A as a guarantee of CONTRACTOR's obligation for payment for EDP and related costs as required pursuant to Paragraph 81, CONTRACTOR PAYMENT OBLIGATION, below. Such surety bond shall be provided by CONTRACTOR at the time CONTRACTOR signs this Amendment. The surety bond shall not be subject to termination and shall remain in effect for twelve (12) months with twelve one-month renewal options. Such bond shall recite that it secures the payment obligations of CONTRACTOR under this Benefits Issuance Agent Agreement between Los Angeles COUNTY and CONTRACTOR.

In lieu of a surety bond, a certificate of deposit (CD) or cashier's check made payable to Affiliated Computer Services, Inc., (ACS) State & Local Solutions in the above referenced amount is acceptable.

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ARTICLE X, DURATION AND TERMINATION OF AGREEMENT, Paragraph 35, is revised as follows:

35. Unless terminated for cause or for other reasons stipulated herein, the term of this Agreement shall **commence upon the execution of the Agreement by the COUNTY's Board of Supervisors and shall expire May 31, 2004 or until implementation of Electronic Benefits Transfer (EBT) by Los Angeles County, whichever is earlier. The COUNTY shall have the sole option to extend the Agreement month-to-month for a total of 12 months through May 31, 2005. The option months shall be exercised by the Director, Department of Public Social Services (DPSS) or his designee. The provisions of this Amendment shall become effective June 1, 2003.**

ARTICLE XII, MISCELLANEOUS PROVISIONS,

Paragraph 66, subparagraph b. is revised as follows:

66. NOTICES

b. Delivery of Notices

2. Notices to County:

Notices and envelopes containing same to COUNTY shall  
be addressed to:



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**Michelle Callahan, Chief  
General Services Division  
Department of Public Social Services  
P. O. Box 761219  
Los Angeles, California 90076-1219**

Paragraph 81 is replaced in its entirety:

81. CONTRACTOR PAYMENT OBLIGATIONS

CONTRACTOR shall be responsible for timely payment to:

- a. COUNTY's L.A. FAIR contractor, Affiliated Computer Services, Inc., State & Local Solutions (ACS) for cost to CONTRACTOR for Electronic Data Processing (EDP) and related costs (see Attachment A for these costs). CONTRACTOR shall remit payment by the due date set forth on ACS' invoice for such charges, and payment shall be made directly to ACS.

CONTRACTOR's outlets in the area designated by COUNTY as 'Pilot Districts' (see Attachment C) will not be responsible for payment nor will CONTRACTOR receive an invoice from ACS for EDP costs for the first two months of the Electronic Benefits Transfer (EBT) pilot in Los Angeles County, scheduled for the months of August 2003 and September 2003. COUNTY will pay the EDP costs for those outlets in the designated areas for the first two months of the EBT pilot .

CONTRACTOR's, with outlets in the EBT pilot designated areas, in the third month of the pilot may:

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- elect to continue to operate as a benefits issuance outlet and resume responsibility to pay all EDP and related costs,
- reduce the number of terminals in each outlet to a minimum of two and resume the responsibility to pay EDP and related costs for the reduced number of terminals, or
- cease all benefits issuance activities in the designated pilot areas, return all EDP and related equipment and end all responsibility for EDP and related costs for these outlets.

In the event CONTRACTOR does not provide payment to ACS:

1. ACS may initiate any and all actions, including but not limited to, filing a claim against CONTRACTOR's EDP surety bond and or pursuing any legal recourse against CONTRACTOR to obtain funds sufficient to provide payment to ACS for EDP and related costs.
  2. ACS, with the prior written consent of COUNTY's Department of Public Social Services, General Services Division, Benefits Issuance Administrator may, after sixty (60) calendar days with no payment by CONTRACTOR, suspend electronic data processing transmission to CONTRACTOR's benefits issuance outlet. See also Paragraph 40.k.
- b. COUNTY contracts with three bulk storage vendors who provide secured storage and armored delivery service for transit of Food Stamp coupons and COUNTY blank check stock to benefits issuance agents. CONTRACTOR shall choose any one of the three COUNTY bulk storage vendors to provide

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this service. A copy of the resultant agreement between COUNTY's bulk storage vendor and CONTRACTOR shall be provided to COUNTY within fifteen (15) calendar days of signing the agreement.

Paragraphs 86, 87 and 88 are replaced in their entirety:

86. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD  
SUPPORT COMPLIANCE PROGRAM

CONTRACTOR acknowledges that COUNTY has established a goal of ensuring that all individuals who benefit financially from COUNTY through contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon COUNTY and its taxpayers.

As required by COUNTY's Child Support Compliance Program (County Code Chapter 2.200) and without limiting CONTRACTOR's duty under this Agreement to comply with all applicable provisions of law, CONTRACTOR warrants that it is now in compliance and shall, during the term of this Agreement, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or **Child Support Services Department (CSSD) Notices** of Wage and Earnings Assignment for Child Support or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

87. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE  
WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of CONTRACTOR to maintain compliance with the requirement set forth in Paragraph 86, CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM, shall constitute a default by CONTRACTOR under this Agreement. Without limiting the rights and remedies available to COUNTY under any other provision of this Agreement, failure to cure such default within ninety (90) days of notice by the Los Angeles County **CSSD** shall be grounds upon which the COUNTY Board of Supervisors may terminate this Agreement pursuant to ARTICLE X, DURATION AND TERMINATION OF AGREEMENT.

88. CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO  
CHILD SUPPORT ENFORCEMENT

CONTRACTOR acknowledges that COUNTY places a high priority on the enforcement of child support laws and the apprehension of child support evaders. CONTRACTOR understands that it is COUNTY's policy to encourage all COUNTY contractors to voluntarily post COUNTY's *L.A.'s Most Wanted: Delinquent Parents* poster in a prominent position at CONTRACTOR's place of business. COUNTY's **CSSD** will supply CONTRACTOR with the poster to be used.

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New Paragraphs are added, as follows:

91. GOVERNING LAW AND VENUE

91.1 This Agreement shall be governed by and construed in accordance with and governed by the laws of the State of California.

91.2 Any reference to a specific statute, regulation, or other law is deemed to include a reference to any amendment thereto as of the effective date of such amendment; further, this Agreement shall be interpreted, and the parties' duties and obligations under this Agreement shall be consistent with, any amendment to the applicable statute, regulation, or any other law which occurs after the effective date of this Agreement.

91.3 CONTRACTOR agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought under shall be exclusively in the COUNTY of Los Angeles, California, Central Civil Division.

92. COMPLIANCE WITH JURY SERVICE PROGRAM

92.1 Jury Service Program

This Agreement is subject to the provisions of the COUNTY's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

92.2 Written Employee Jury Service Policy

92.2.1 Unless CONTRACTOR has demonstrated to the COUNTY's satisfaction either that CONTRACTOR is not a "Contractor" as defined under the Jury Service Program (section 2.203.020 of the County Code) or that CONTRACTOR qualifies for an exception to the Jury Service Program (2.203.070 of the County Code). CONTRACTOR shall have and adhere to a written policy that provides that its Employees shall receive from the CONTRACTOR, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the CONTRACTOR or that the CONTRACTOR deduct from the Employee's regular pay the fees received for jury service.

92.2.2 For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the COUNTY or a subcontract with a COUNTY contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more COUNTY contracts or subcontracts. "Employee" means any California resident who is a full-time employee of CONTRACTOR. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is recognized industry standard as determined by the COUNTY, or 2) CONTRACTOR has a long-standing practice that defines the lesser number of

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hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If CONTRACTOR uses any subcontractor to perform services for the COUNTY under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted unto any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreements.

92.2.3 If CONTRACTOR is not required to comply with the Jury Service Program when the Contract commences, CONTRACTOR shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and CONTRACTOR shall immediately notify County if CONTRACTOR at any time either comes within the Jury Services Program's definition of "Contractor" or if CONTRACTOR no longer qualifies for an exception to the Program. In either event, CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. The COUNTY may also require, at any time during the Contract and at its sole discretion, that CONTRACTOR demonstrate to the COUNTY's satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that CONTRACTOR continues to qualify for an exception to the Program.

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92.2.4 CONTRACTOR's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate the Contract and/or bar CONTRACTOR from award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.

93. **SAFELY SURRENDERED BABY LAW**

CONTRACTOR shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. Such information is set for the in Attachment D.



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All other terms and conditions remain in effect.

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles, on April 29, 2003 delegated to the Director, DPSS authority to approve this Amendment Number Three and CONTRACTOR has caused this Amendment to be subscribed in its behalf by its duly authorized officer(s), the day, month and year first above written.

**COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

By \_\_\_\_\_  
Bryce Yokomizo, Director

\_\_\_\_\_ Date

**Thomas Nix Distributors, Inc.**

By \_\_\_\_\_  
Thomas Nix, President

**APPROVED AS TO FORM:**

**Lloyd W. Pellman  
COUNTY COUNSEL**

By \_\_\_\_\_  
Kelly M. Auerbach Hassel , Deputy County Counsel

## ATTACHMENT A

**OUTLET LOCATIONS AND ESTIMATED EDP COSTS**

Site Address	Site Number	No. Teller Stations	Teller station equipment lease, and maintenance, monthly	Network connectivity, hardware lease and maintenance, monthly	Total Monthly Costs
Nix #9 653 E. El Segundo Willowbrook, California 90059	3302	5	\$ 600.00	\$1,377.91	\$1,977.91
Nix # 18 18520 Soledad Canyon # 14 Canyon Country, California 91351	3303	3	\$ 360.00	\$1,377.91	\$1,737.91
<b>MISCELLANEOUS COST</b>				<b>TOTAL MONTHLY Printer Ribbon</b>	<b>\$3,715.82 \$4 to \$6 (each)</b>

RELOCATION COSTS

Telecom installation, dedicated line and dial back-up line (estimated) <sup>1</sup>	\$4,000.00
Equipment move, one time only cost, per terminal to another location	\$ 595.00
Equipment move, one time only cost, per visit in the same location	\$ 174.00
Site Inspections and Visits	\$ 75.00

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<sup>1</sup>Issuance agent is responsible for arranging for and payment of costs required for installation of dedicated electrical lines and wiring for teller stations.

ATTACHMENT B

<b>NAME OF REPORT</b>	<b>MONTHLY DUE DATE</b>
FNS 250, Food Coupon Accountability Report	15th
FNS 300, Advice of Transfer	15th
FNS 135, Affidavit for Return/Exchange of Food Coupons	15th
FNS 471, Coupon Accountability and Destruction Report	15th
Issuance Difference Letter to FCS	15th
Bus Token Reimbursement	15th
Monthly Food Stamp Transaction Summary	15th
PF9, Month-To-Date Report(s)	15th
PF10, Monthly Site Report(s)	15th
EBAT Log(s)	15th
Equipment Trouble Log(s).	15th
GA8 Monthly County Check Stock Recon. Report	15th
GA3 County Check Stock Advice of Transfer	15th
GA5 County Check Stock Void Report	15th
FNS 250 Revisions	As needed
Semi-Annual CPA Reports	May 1 and November 1
Issuance Receipts, DI-ATP's	15th

Specific instructions for completion and submission of the individual reports listed herein are contained in the Benefits Issuance Agents' Handbook.

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
METRO EAST DISTRICT  
2855 E. Olympic Boulevard  
Los Angeles, CA 90023**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
5553	Cash It Here	2417 E. Cesar Chavez Blvd. Los Angeles, CA 90033
5554	Cash It Here	3010 N. San Gabriel Blvd. Rosemead, CA 91770
5558	Cash It Here	5632 E. Whittier Blvd. Los Angeles, CA 90022
5559	Cash It Here	6821-A Eastern Ave. Bell Gardens, CA 90201
5560	Cash It Here	8116 Long Beach Blvd. South Gate, CA 90280
8102	California Quik Check	4137 E. Gage Avenue Bell, CA 90201
2752	Continental Currency	5623 Whittier Blvd. Los Angeles, CA 90022
3317	Nix Check Cashing #12	5925 S. Atlantic Blvd. Maywood, CA 90270
3335	Nix Check Cashing #37	2750 E. 1 <sup>st</sup> Street Los Angeles, CA 90033

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
METRO EAST DISTRICT**

3338	Nix Check Cashing #57	4940 Huntington Drive Los Angeles, CA 90032
3344	Nix Check Cashing #59	5411 N. Figueroa Street Los Angeles, CA 90042

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
SOUTH CENTRAL DISTRICT  
10728 S. Central Avenue  
Los Angeles, CA 90059**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
5403	Jet Food Stamp Center	8607 S. Broadway Los Angeles, CA 90003
5404	Jet Food Stamp Center	148 E. Compton Blvd. Compton, CA 90220
5406	Jet Food Stamp Center	5860 S. Vermont Avenue Los Angeles, CA 90044
1203	WLCAC	10954 S. Central Avenue Los Angeles, CA 90059
8103	California Quik Check	3646 E. Imperial Highway Lynwood, CA 90262
3306	Nix Check Cashing #3	740 W. Compton Blvd. Compton, CA 90221
8107	California Quik Check	1445 W. Century Blvd. Los Angeles, CA 90047
8524	Golden Express	2211 N. Long Beach Blvd. Compton, CA 90221

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
SOUTH CENTRAL DISTRICT**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
3302	Nix Check Cashing #9	653 E El Segundo Los Angeles, CA 90059
3304	Nix Check Cashing # 1	1969 E. Firestone Boulevard Los Angeles, CA 90001
3308	Nix Check Cashing #2	11401 S. Figueroa Street Los Angeles, CA 90061
3310	Nix Check Cashing #31	10005 S. Central Avenue Los Angeles, CA 90002
3311	Nix Check Cashing #24	1015 W. Florence Boulevard Los Angeles, CA 90044
3328	Nix Check Cashing #30	1651 E. 103 <sup>rd</sup> Street Los Angeles, CA 90002
3331	Nix Check Cashing #49	11840 S. Wilmington Avenue Willowbrook, CA 90059
3340	Nix Check Cashing #51	1602 Rosecrans Blvd. Compton, CA 90220
3343	Nix Check Cashing #56	11325 Long Beach Blvd. Lynwood, CA 90262

**AMENDMENT NUMBER TWO  
BENEFITS ISSUANCE AGENT AGREEMENT  
BY AND BETWEEN  
COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC SOCIAL SERVICES  
AND  
CALIFORNIA QUIK CHECK, INC.**

Reference is being made to the document entitled "Benefits Issuance Agent Agreement By and Between the County of Los Angeles and California Quik Check, Inc." dated July 7, 1997 and its Amendment dated June 6, 2000 and further identified as Department of Public Social Services Agreement #DPSS-BIA 016, hereafter identified as "Agreement."

Following approval by Los Angeles County's Board of Supervisors or designee, the Agreement is revised effective June 1, 2003 or the date of approval, whichever occurs later, by the following additional or revised language, as follows:

Article III, TERM OF AGREEMENT, Paragraph 6 is replaced in its entirety,

6. Unless terminated for cause or for other reasons stipulated herein, the term of this Agreement shall **commence upon the execution of the Agreement by the COUNTY's Board of Supervisors and shall expire May 31, 2004 or until implementation of Electronic Benefits Transfer (EBT) by Los Angeles County, whichever is earlier. The COUNTY shall have the sole option to extend the Agreement month-to-month for a total of 12 months through May 31, 2005. The option months shall be exercised by the Director, Department of Public**



**Social Services (DPSS) or his designee. The provisions of this Amendment shall become effective June 1, 2003.**

Paragraph 16 is replaced in its entirety:

16. CONTRACTOR PAYMENT OBLIGATIONS

CONTRACTOR shall be responsible for timely payment to:

- a. COUNTY's L.A. FAIR contractor, Affiliated Computer Services, Inc., State & Local Solutions (ACS) for cost to CONTRACTOR for Electronic Data Processing (EDP) and related costs (see Attachment A for these costs). CONTRACTOR shall remit payment by the due date set forth on ACS' invoice for such charges, and payment shall be made directly to ACS.

CONTRACTOR's outlets in the area designated by COUNTY as 'Pilot Districts' (see Attachment C) will not be responsible for payment nor will CONTRACTOR receive an invoice from ACS for EDP costs for the first two months of the Electronic Benefits Transfer (EBT) pilot in Los Angeles County, scheduled for the months of August 2003 and September 2003. COUNTY will pay the EDP costs for those outlets in the designated areas for the first two months of the EBT pilot .

CONTRACTOR's, with outlets in the EBT pilot designated areas, in the third month of the pilot may:

- elect to continue to operate as a benefits issuance outlet and resume responsibility to pay all EDP and related costs,
- reduce the number of terminals in each outlet to a minimum of two and resume the responsibility to pay EDP and related costs for the reduced number of terminals, or
- cease all benefits issuance activities in the designated pilot areas, return all EDP and related equipment and end all responsibility for EDP and related costs for these outlets.

In the event CONTRACTOR does not provide payment to ACS:

1. ACS may initiate any and all actions, including but not limited to, filing a claim against CONTRACTOR's EDP surety bond and or pursuing any legal recourse against CONTRACTOR to obtain funds sufficient to provide payment to ACS for EDP and related costs.
  2. ACS, with the prior written consent of COUNTY's Department of Public Social Services, General Services Division, Benefits Issuance Administrator may, after sixty (60) calendar days with no payment by CONTRACTOR, suspend electronic data processing transmission to CONTRACTOR's benefits issuance outlet. See also Paragraph 40.k.
- b. COUNTY contracts with three bulk storage vendors who provide secured storage and armored delivery service for transit of Food Stamp coupons and COUNTY blank check stock to benefits issuance agents. CONTRACTOR shall choose any one of the three COUNTY bulk storage vendors to provide

this service. A copy of the resultant agreement between COUNTY's bulk storage vendor and CONTRACTOR shall be provided to COUNTY within fifteen (15) calendar days of signing the agreement.

Article XI, CONTRACTOR STATUS, INDEMNIFICATION AND INSURANCE REQUIREMENTS, is replaced as follows,

32. INDEMNIFICATION

CONTRACTOR agrees to indemnify, defend, and hold harmless COUNTY and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with CONTRACTOR's acts and/or omissions arising and/or relating to this Agreement.

33. INSURANCE

33.1 **General Insurance Requirements**

Without limiting CONTRACTOR's indemnification of COUNTY and during the term of this Agreement, CONTRACTOR shall provide and maintain, and shall require all subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by COUNTY, and such coverage shall be provided and maintained at CONTRACTOR's own expense.

33.1.1 **Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to COUNTY shall be delivered to **Michelle Callahan, Administrator, Benefits Issuance/Special Payments Section, P.O. Box 761219, Los Angeles, California 90076-1219** prior to commencing services under this Agreement. Such certificates or other evidence shall:

33.1.1.1 Specifically identify this Agreement.

33.1.1.2 Clearly evidence all coverages required in this Agreement.

33.1.1.3 Contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance.

33.1.1.4 Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insured's for all activities arising from this Agreement.

33.1.1.5 Identify any deductibles or self-insured retentions for COUNTY's approval. The COUNTY retains the right to require CONTRACTOR to reduce or eliminate such deductibles or self-insured retentions as they apply to

COUNTY, or require CONTRACTOR to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

33.1.2 **Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the COUNTY with an A.M. Best rating of not less than A:VII, unless otherwise approved by COUNTY.

33.1.3 **Failure to Maintain Coverage:** Failure by CONTRACTOR to maintain the required insurance, or to provide evidence of insurance coverage acceptable to COUNTY, shall constitute a material breach of the contract upon which COUNTY may immediately terminate or suspend this Agreement. COUNTY, at its sole discretion, may obtain damages from CONTRACTOR resulting from said breach. Alternatively, COUNTY may purchase such required insurance coverage, and without further notice to CONTRACTOR, COUNTY may deduct from sums due to CONTRACTOR or may invoice CONTRACTOR for any premium costs advanced by COUNTY for such insurance.

**33.1.4 Notification of Incidents, Claims or Suits:** CONTRACTOR shall report to COUNTY:

- 33.1.4.1 any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against CONTRACTOR and/or COUNTY. Such report shall be made in writing within 24 hours of occurrence.
- 33 1.4.2 any third party claim or lawsuit filed against CONTRACTOR arising from or related to services performed by CONTRACTOR under this Agreement.
- 33.1.4.3 any injury to a CONTRACTOR employee which occurs on COUNTY property. This report shall be submitted on a COUNTY "Non-employee Injury Report" to the COUNTY Contract Manager.
- 33.1.4.4 any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of COUNTY property, Food Stamp coupons, blank County check stock, monies or securities entrusted to CONTRACTOR under terms of this Agreement. Such report shall be made in writing within 24 hours of the occurrence. In addition local law enforcement must also be notified and a report number provided to COUNTY within 24 hours, to be followed up with a copy of the written police report within fifteen calendar days.

33.1.5 **Compensation for County Costs:** in the event that CONTRACTOR fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to COUNTY, CONTRACTOR shall pay full compensation for all costs incurred by COUNTY.

33.1.6 **Insurance Coverage Requirements for Subcontractors:** CONTRACTOR shall ensure any and all subcontractors performing services under this Agreement meet the insurance requirements of this Agreement by either:

33.1.6.1 CONTRACTOR providing evidence of insurance covering the activities of subcontractors, or

33.1.6.2 CONTRACTOR providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

33.2 **Insurance Coverage Requirements**

33.2.1 General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury	\$1 million
Each Occurrence:	\$1 million

33.2.2 Automobile Liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all “owned”, “hired” and “non-owned” vehicles, or coverage for “any auto.”

33.2.3 Workers Compensation and Employers Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which CONTRACTOR is responsible. If CONTRACTOR’s employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers’ Compensation Act, Jones Act or any other federal law for which CONTRACTOR is responsible.

In all cases, the above insurance also shall include Employers’ Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee	\$1 million

33.2.4 Professional Liability: Insurance covering liability arising from any error, omission, negligent or wrongful act of the CONTRACTOR, its officers or employees with limits of not less than \$1 million per occurrence and \$3 million aggregate. This coverage also shall provide an extended two year report period commencing upon termination or cancellation of this Agreement.



33.2.5 Crime Coverage: Insurance with limits in amounts not less than the total highest face value of food stamp coupons on CONTRACTOR's premises plus \$100,000 for County check stock covering against loss of money, securities, or other property referred to in this Agreement and naming the COUNTY as loss payee. Such insurance shall provide coverage for:

- Employee Dishonesty
- Forgery or Alteration
- Theft, Disappearance and Destruction
- Computer Fraud
- Burglary and Robbery

If CONTRACTOR elects to provide crime insurance with a deductible, CONTRACTOR shall be required to provide a surety bond in an amount equal to the crime insurance deductible. Such bond shall be payable to the County of Los Angeles and executed by a corporate surety licensed to transact business as a surety in the State of California. Said bond shall be conditioned upon terms and conditions of the Agreement and shall cover the loss, damage, destruction of food stamp coupons, issuance receipts, or ATPs and County check stock. Such bond shall provide for continuing liability in the above amount notwithstanding any payment or recovery thereon.

In lieu of said policy of crime insurance, CONTRACTOR may, at Director's discretion, provide a certificate of deposit (CD) or an irrevocable letter of credit (LOC) in an amount equal to the total face

value of food stamp coupons, County check stock, issuance receipts and ATP's in its possession or control, payable to Los Angeles County in the event of any such losses as are herein described.

- 33.4 Performance Security : A cash deposit or certificate of deposit payable to COUNTY in the amount of \$5,000 per outlet as a guarantee against CONTRACTOR's default shall be provided by CONTRACTOR within 48 hours of signing the Amendment. See Paragraph 10.3 and 10.4.

CONTRACTOR shall maintain a \$5,000 per outlet performance security instrument throughout the term of this Agreement, to include the final audit settlement.

- 33.5 **EDP and Related Costs Security**: A surety bond payable to Affiliated Computer Services, Inc., (ACS) State & Local Solutions, 3434 W. 6<sup>th</sup> Street, Suite 400, Los Angeles, California 90020 in the amount of \$270,848.88 for seven (7) outlets as a guarantee of CONTRACTOR's obligation for payment for EDP and related costs as required pursuant to Paragraph 16, CONTRACTOR PAYMENT OBLIGATIONS. Such surety bond shall be provided by CONTRACTOR at the time CONTRACTOR signs this Amendment. The surety bond shall not be subject to termination and shall remain in effect for twelve (12) months with twelve (12) one month renewal

options. Such bond shall recite that it secures the payment obligations of CONTRACTOR under this Benefits Issuance Agent Agreement between Los Angeles COUNTY and CONTRACTOR.

In lieu of a surety bond, a certificate of deposit (CD), or cashier's check made payable to Affiliated Computer Services, Inc., (ACS) State & Local Solutions in the above referenced amount is acceptable.

Article XV, FURTHER TERMS AND CONDITIONS, Paragraph 57 is amended as follows,

57.2.2 Notices to County:

Notices and envelopes containing same to County shall be addressed to:

**Michelle Callahan, Chief  
General Services Division  
Department of Public Social Services  
P.O. Box 761219  
Los Angeles, California 90076-1219**

Paragraphs 82, 83 and 84 are replaced in their entirety as follows:

82. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD  
SUPPORT COMPLIANCE PROGRAM

CONTRACTOR acknowledges that COUNTY has established a goal of ensuring that all individuals who benefit financially from COUNTY through contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon COUNTY and its taxpayers.

As required by COUNTY's Child Support Compliance Program (County Code Chapter 2.200) and without limiting CONTRACTOR's duty under this Agreement to comply with all applicable provisions of law, CONTRACTOR warrants that it is now in compliance and shall, during the term of this Agreement, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or **Child Support Services**

**Department (CSSD) Notices** of Wage and Earnings Assignment for Child Support or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

83. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE  
WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of CONTRACTOR to maintain compliance with the requirement set forth in Paragraph 82, CONTRACTOR'S WARRANTY OF ADHERENCE TO

COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM, shall constitute a default

by CONTRACTOR under this Agreement. Without limiting the rights and remedies available to COUNTY under any other provision of this Agreement, failure to cure such default within ninety (90) days of notice by the Los Angeles County **CSSD** shall be grounds upon which the COUNTY Board of Supervisors may terminate this Agreement pursuant to ARTICLE X, DURATION AND TERMINATION OF AGREEMENT.

84. CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

CONTRACTOR acknowledges that COUNTY places a high priority on the enforcement of child support laws and the apprehension of child support evaders. CONTRACTOR understands that it is COUNTY's policy to encourage all COUNTY contractors to voluntarily post COUNTY's *L.A.'s Most Wanted: Delinquent Parents* poster in a prominent position at CONTRACTOR's place of business. COUNTY's **CSSD** will supply CONTRACTOR with the poster to be used.

New Paragraphs are added, as follows:

88. GOVERNING LAW AND VENUE

88.1 This Agreement shall be governed by and construed in accordance with and governed by the laws of the State of California.

88.2 Any reference to a specific statute, regulation, or other law is deemed to include a reference to any amendment thereto as of the effective date of such amendment; further, this Agreement shall be interpreted, and the

parties' duties and obligations under this Agreement shall be consistent with, any amendment to the applicable statute, regulation, or any other law which occurs after the effective date of this Agreement.

88.3 CONTRACTOR agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought under shall be exclusively in the COUNTY of Los Angeles, California, Central Civil Division.

## 89. COMPLIANCE WITH JURY SERVICE PROGRAM

### 89.1 Jury Service Program

This Agreement is subject to the provisions of the COUNTY's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

### 89.2 Written Employee Jury Service Policy

89.2.1 Unless CONTRACTOR has demonstrated to the COUNTY's satisfaction either that CONTRACTOR is not a "Contractor" as defined under the Jury Service Program (section 2.203.020 of the County Code) or that CONTRACTOR qualifies for an exception to the Jury Service Program (2.203.070 of the County Code). CONTRACTOR shall have and adhere to a written policy that provides that its employees shall receive

from the CONTRACTOR, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the CONTRACTOR or that the CONTRACTOR deduct from the employee's regular pay the fees received for jury service.

- 89.2.2 For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the COUNTY or a subcontract with a COUNTY contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more COUNTY contracts or subcontracts. "Employee" means any California resident who is a full-time employee of CONTRACTOR. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is recognized industry standard as determined by the COUNTY, or 2) CONTRACTOR has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If CONTRACTOR uses any subcontractor to perform services for the COUNTY under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted unto any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreements.

- 89.2.3 If CONTRACTOR is not required to comply with the Jury Service Program when the Contract commences, CONTRACTOR shall have a continuing obligation to review the applicability of its “exception status” from the Jury Service Program, and CONTRACTOR shall immediately notify COUNTY if CONTRACTOR at any time either comes within the Jury Services Program’s definition of “Contractor” or if CONTRACTOR no longer qualifies for an exception to the Program. In either event, CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. The COUNTY may also require, at any time during the Contract and at its sole discretion, that CONTRACTOR demonstrate to the COUNTY’s satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program’s definition of “Contractor” and/or that CONTRACTOR continues to qualify for an exception to the Program.
- 89.2.4 CONTRACTOR’s violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate the Contract and/or bar CONTRACTOR from award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.



90. SAFELY SURRENDERED BABY LAW

CONTRACTOR shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. Such information is set forth in Exhibit D.

All other terms and conditions remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles, on April 29, 2003, delegated to the Director, DPSS authority to approve this Amendment and CONTRACTOR has caused this Amendment to be subscribed in its behalf by its duly authorized officer(s), the day, month and year first above written.

**COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

By \_\_\_\_\_  
Bryce Yokomizo, Director

\_\_\_\_\_  
Date

**CALIFORNIA QUIK CHECK, INC.**

By \_\_\_\_\_  
Tony Sokolowski, President

**APPROVED AS TO FORM:**

**Lloyd W. Pellman  
County Counsel**

By \_\_\_\_\_  
Kelly M. Auerbach Hassel, Deputy County Counsel

ATTACHMENT A

**OUTLET LOCATION AND ESTIMATED EDP COSTS**

Site Address	Site Number	No. Teller Stations	Teller station equipment lease, and maintenance, monthly	Network connectivity, hardware lease and maintenance, monthly	Total Monthly Costs
California Quik Check 4137 E. Gage Avenue Bell, California 90201	8102	2	\$ 240.00	\$1,337.91	\$1,577.91
California Quik Check 3646 E. Imperial Highway Lynwood, California 90262	8103	2	\$ 240.00	\$1,337.91	\$1,577.91
California Quik Check 15920 Downey Ave. Suite A Paramount, California 90723	8104	3	\$360.00	\$1,337.91	\$1,697.91
California Quik Check 12801 S. Prairie Ave. Hawthorne, California 90250	8105	2	\$ 240.00	\$1,337.91	\$1,577.91
California Quik Check 15650 Nordhoff, Suite 106 Sepulveda, California 91343	8106	3	\$360.00	\$1,337.91	\$1,697.91
California Quik Check 1445 W. Century Boulevard Los Angeles, California 90047	8107	2	\$240.00	\$1,337.91	\$1,577.91

Site Address	Site Number	No. Teller Stations	Teller station equipment lease, and maintenance, monthly	Network connectivity, hardware lease and maintenance, monthly	Total Monthly Costs
California Quik Check 3653 W. 3 <sup>rd</sup> Street Los Angeles, California 90020	8108	2	\$240.00	\$1,337.91	\$1,577.91
				<b>TOTAL MONTHLY</b>	<b>\$11,285.37</b>
MISCELLANEOUS COSTS				Printer ribbon	\$4 to \$6 (each)

#### RELOCATION COSTS

Telecom installation, dedicated line and dial back-up line (estimated) <sup>1</sup>	\$4,000.00
Equipment move, one time only cost, per terminal to another location	\$ 595.00
Equipment move, one time only cost, per visit in the same location	\$ 174.00
Site Inspections and Visits	\$ 75.00

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<sup>1</sup>Issuance agent is responsible for arranging for and payment of costs required for installation of dedicated electrical lines and wiring for teller stations.

ATTACHMENT B

	<b>NAME OF REPORT</b>	<b>MONTHLY DUE DATE</b>
	FNS 250, Food Coupon Accountability Report	15th
	FNS 300, Advice of Transfer	15th
	FNS 135, Affidavit for Return/Exchange of Food Coupons	15th
	FNS 471, Coupon Accountability and Destruction Report	15th
	Issuance Difference Letter to FCS	15th
	Bus Token Reimbursement	15th
	Monthly Food Stamp Transaction Summary	15th
	PF9, Month-To-Date Report(s)	15th
	PF10, Monthly Site Report(s)	15th
	EBAT Log(s)	15th
	Equipment Trouble Log(s).	15th
	GA8 Monthly County Check Stock Recon. Report	15th
	GA3 County Check Stock Advice of Transfer	15th
	GA5 County Check Stock Void Report	15th
	FNS 250 Revisions	As required
	Semi-Annual CPA Reports	May 1 and November 1
	Issuance Receipts, DI-ATP's	15th

Specific instructions for completion and submission of the individual reports listed herein are contained in the Benefits Issuance Agents' Handbook

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES OF  
METRO EAST DISTRICT  
2855 E. Olympic Boulevard  
Los Angeles, CA 90023**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
5553	Cash It Here	2417 E. Cesar Chavez Blvd. Los Angeles, CA 90033
5554	Cash It Here	3010 N. San Gabriel Blvd. Rosemead, CA 91770
5558	Cash It Here	5632 E. Whittier Blvd. Los Angeles, CA 90022
5559	Cash It Here	6821-A Eastern Ave. Bell Gardens, CA 90201
5560	Cash It Here	8116 Long Beach Blvd. South Gate, CA 90280
8102	California Quik Check	4137 E. Gage Avenue Bell, CA 90201
2752	Continental Currency	5623 Whittier Blvd. Los Angeles, CA 90022

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES OF  
METRO EAST DISTRICT (Cont)**

3317	Nix Check Cashing #12	5925 S. Atlantic Blvd. Maywood, CA 90270
3335	Nix Check Cashing #37	2750 E. 1 <sup>st</sup> Street Los Angeles, CA 90033
3338	Nix Check Cashing #57	4940 Huntington Drive Los Angeles, CA 90032
3344	Nix Check Cashing #59	5411 N. Figueroa Street Los Angeles, CA 90042

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES OF  
SOUTH CENTRAL DISTRICT  
10728 S. Central Avenue  
Los Angeles, CA 90059**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
5403	Jet Food Stamp Center	8607 S. Broadway Los Angeles, CA 90003
5404	Jet Food Stamp Center	148 E. Compton Blvd. Compton, CA 90220
5406	Jet Food Stamp Center	5860 S. Vermont Avenue Los Angeles, CA 90044
1203	WLCAC	10954 S. Central Avenue Los Angeles, CA 90059
8103	California Quik Check	3646 E. Imperial Highway Lynwood, CA 90262
3306	Nix Check Cashing #3	740 W. Compton Blvd. Compton, CA 90221
8107	California Quik Check	1445 W. Century Blvd. Los Angeles, CA 90047
8524	Golden Express	2211 N. Long Beach Blvd. Compton, CA 90221



**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES OF  
SOUTH CENTRAL DISTRICT (Cont)**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
3302	Nix Check Cashing #9	653 E El Segundo Los Angeles, CA 90059
3304	Nix Check Cashing # 1	1969 E. Firestone Boulevard Los Angeles, CA 90001
3308	Nix Check Cashing #2	11401 S. Figueroa Street Los Angeles, CA 90061
3310	Nix Check Cashing #31	10005 S. Central Avenue Los Angeles, CA 90002
3311	Nix Check Cashing #24	1015 W. Florence Boulevard Los Angeles, CA 90044
3328	Nix Check Cashing #30	1651 E. 103 <sup>rd</sup> Street Los Angeles, CA 90002
3331	Nix Check Cashing #49	11840 S. Wilmington Avenue Willowbrook, CA 90059
3340	Nix Check Cashing #51	1602 Rosecrans Blvd. Compton, CA 90220
3343	Nix Check Cashing #56	11325 Long Beach Blvd. Lynwood, CA 90262



**AMENDMENT NUMBER THREE  
BENEFITS ISSUANCE AGENT AGREEMENT  
BY AND BETWEEN  
COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC SOCIAL SERVICES  
AND  
ACE CASH EXPRESS, INC.**

Reference is being made to the document entitled "Benefits Issuance Agent Agreement By and Between the COUNTY of Los Angeles and Ace Cash Express, Inc." dated June 7, 2000 and its amendment dated November 30, 2000 and further identified as Department of Public Social Services Agreement #DPSS-BIA 019, hereafter identified as "Agreement."

Following approval by Los Angeles County's Board of Supervisors or designee, the Agreement is revised effective June 1, 2003 or the date of approval, whichever occurs later, as noted in **bold**, by the following additional or revised language:

Article III, TERM OF AGREEMENT, Paragraph 5 is replaced in its entirety:

5. Unless terminated for cause or for other reasons stipulated herein, the term of this Agreement shall **commence upon the execution of the Agreement by the COUNTY's Board of Supervisors and shall expire May 31, 2004 or until implementation of Electronic Benefits Transfer (EBT) by Los Angeles County, whichever is earlier. The COUNTY shall have the sole option to extend the Agreement month-to-month for a total of 12 months through May 31, 2005. The option months shall be exercised by the Director, Department of Public Social Services (DPSS) or his designee. The provisions of this Amendment shall become effective June 1, 2003.**

To ARTICLE VIII, INDEMNIFICATION AND INSURANCE REQUIREMENTS,

Paragraphs 31, 32 and 34 are replaced in their entirety as follows:

31. INDEMNIFICATION

CONTRACTOR agrees to indemnify, defend, and hold harmless COUNTY and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with CONTRACTOR's acts and/or omissions arising from and/or relating to this Agreement.

32. INSURANCE

32.1 **General Insurance Requirements**

Without limiting CONTRACTOR's indemnification of COUNTY and during the term of this Agreement, CONTRACTOR shall provide and maintain, and shall require all subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by COUNTY, and such coverage shall be provided and maintained at CONTRACTOR's own expense.

32.1.1 **Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to COUNTY shall be delivered to

**Michelle Callahan, Administrator, Benefits Issuance/Special Payments Section, P.O. Box 761219, Los Angeles, California 90076-1219** prior to commencing services under this Agreement. Such certificates or other evidence shall:

- 32.1.1.1 Specifically identify this Agreement.
- 32.1.1.2 Clearly evidence all coverages required in this Agreement.
- 32.1.1.3 Contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance.
- 32.1.1.4 Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Agreement.
- 32.1.1.5 Identify any deductibles or self-insured retentions for COUNTY's approval. The COUNTY retains the right to require CONTRACTOR to reduce or eliminate such deductibles or self-insured retentions as they apply to COUNTY, or require CONTRACTOR to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or

fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

32.1.2 **Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the COUNTY with an A.M. Best rating of not less than A:VII, unless otherwise approved by COUNTY.

32.1.3 **Failure to Maintain Coverage:** Failure by CONTRACTOR to maintain the required insurance, or to provide evidence of insurance coverage acceptable to COUNTY, shall constitute a material breach of the contract upon which COUNTY may immediately terminate or suspend this Agreement. COUNTY, at its sole discretion, may obtain damages from CONTRACTOR resulting from said breach. Alternatively, COUNTY may purchase such required insurance coverage, and without further notice to CONTRACTOR, COUNTY may deduct from sums due to CONTRACTOR or may invoice CONTRACTOR for any premium costs advanced by COUNTY for such insurance.

32.1.4 **Notification of Incidents, Claims or Suits:** CONTRACTOR shall report to COUNTY:

32.1.4.1 any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or

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lawsuit against CONTRACTOR and/or COUNTY. Such report shall be made in writing within 24 hours of occurrence.

32 1.4.2 any third party claim or lawsuit filed against CONTRACTOR arising from or related to services performed by CONTRACTOR under this Agreement.

32.1.4.3 any injury to a CONTRACTOR employee which occurs on COUNTY property. This report shall be submitted on a COUNTY "Non-employee Injury Report" to the COUNTY Contract Manager.

32.1.4.4 any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of COUNTY property, Food Stamp coupons, blank County check stock, monies or securities entrusted to CONTRACTOR under terms of this Agreement. Such report shall be made in writing within 24 hours of the occurrence. In addition local law enforcement must also be notified and a report number provided to COUNTY within 24 hours, to be followed up with a copy of the written police report within fifteen calendar days.

32.1.5 **Compensation for County Costs:** in the event that CONTRACTOR fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to COUNTY, CONTRACTOR shall pay full compensation for all costs incurred by COUNTY.

**32.1.6 Insurance Coverage Requirements for Subcontractors:**

CONTRACTOR shall ensure any and all subcontractors performing services under this Agreement meet the insurance requirements of this Agreement by either:

32.1.6.1 CONTRACTOR providing evidence of insurance covering the activities of subcontractors, or

32.1.6.2 CONTRACTOR providing evidence submitted by sub-contractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of sub-contractor insurance coverage at any time.

**32.2 Insurance Coverage Requirements**

32.2.1 General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury	\$1 million
Each Occurrence:	\$1 million

32.2.2 Automobile Liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all



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“owned”, “hired” and “non-owned” vehicles, or coverage for “any auto.”

- 32.2.3      Workers Compensation and Employers Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which CONTRACTOR is responsible. If CONTRACTOR’s employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers’ Compensation Act, Jones Act or any other federal law for which CONTRACTOR is responsible. In all cases, the above insurance also shall include Employers’ Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee	\$1 million

- 32.2.4      Professional Liability: Insurance covering liability arising from any error, omission, negligent or wrongful act of the CONTRACTOR, its officers or employees with limits of not less than \$1 million per occurrence and \$3 million aggregate. This coverage also shall provide an extended two year report period commencing upon termination or cancellation of this Agreement.

- 32.2.5      Crime Coverage: Insurance with limits in amounts not less than the total highest face value of food stamp coupons on CONTRACTOR’s premises plus \$100,000 for County check stock

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covering against loss of money, securities, or other property referred to in this Agreement and naming the COUNTY as loss payee. Such insurance shall provide coverage for:

- Employee Dishonesty
- Forgery or Alteration
- Theft, Disappearance and Destruction
- Computer Fraud
- Burglary and Robbery

If CONTRACTOR elects to provide crime insurance with a deductible, CONTRACTOR shall be required to provide a surety bond in an amount equal to the crime insurance deductible. Such bond shall be payable to the County of Los Angeles and executed by a corporate surety licensed to transact business as a surety in the State of California. Said bond shall be conditioned upon terms and conditions of the Agreement and shall cover the loss, damage, destruction of food stamp coupons, issuance receipts, or ATPs and County check stock. Such bond shall provide for continuing liability in the above amount notwithstanding any payment or recovery thereon.

In lieu of said policy of crime insurance, CONTRACTOR may, at Director's discretion, provide a certificate of deposit (CD) or an irrevocable letter of credit (LOC) in an amount equal to the total face value of food stamp coupons, County check stock, issuance receipts and ATP's in its possession or control, payable to Los Angeles County in the event of any such losses as are herein described.

34. EDP and Related Costs Security: A surety bond payable to Affiliated Computer Services, Inc. (ACS) State & Local Solutions, 3434 W. 6<sup>th</sup> Street, Suite 400, Los Angeles, California 90020 in the amount of \$192,229.20 for five (5) outlets listed on Attachment A as a guarantee of CONTRACTOR's obligation for payment for EDP and related costs as required pursuant to Paragraph 81, CONTRACTOR PAYMENT OBLIGATION, below. Such surety bond shall be provided by CONTRACTOR at the time CONTRACTOR signs this Amendment. The surety bond shall not be subject to termination and shall remain in effect for twelve (12) months with twelve one-month renewal options. Such bond shall recite that it secures the payment obligations of CONTRACTOR under this Benefits Issuance Agent Agreement between Los Angeles COUNTY and CONTRACTOR.
- In lieu of a surety bond, a certificate of deposit (CD), or cashier's check made payable to Affiliated Computer Services, Inc., (ACS) State & Local Solutions in the above referenced amount is acceptable.

#### ARTICLE XV, FURTHER TERMS AND CONDITIONS

Paragraph 58, is revised as follows:

##### 58. NOTICES

##### 58.2 Delivery of Notices

58.2.2. Notices to County:

Notices and envelopes containing same to COUNTY  
shall be addressed to:

**Michelle Callahan, Chief  
General Services Division  
Department of Public Social Services  
P. O. Box 761219  
Los Angeles, California 90076-1219**

Paragraphs 80, 81 and 82 are replaced in their entirety:

80. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD  
SUPPORT COMPLIANCE PROGRAM

CONTRACTOR acknowledges that COUNTY has established a goal of ensuring that all individuals who benefit financially from COUNTY through contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon COUNTY and its taxpayers.

As required by COUNTY's Child Support Compliance Program (County Code Chapter 2.200) and without limiting CONTRACTOR's duty under this Agreement to comply with all applicable provisions of law, CONTRACTOR warrants that it is now in compliance and shall, during the term of this Agreement, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully

served Wage and Earnings Withholding Orders or **Child Support Services Department (CSSD) Notices** of Wage and Earnings Assignment for Child Support or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

81. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of CONTRACTOR to maintain compliance with the requirement set forth in Paragraph 80, CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM, shall constitute a default by CONTRACTOR under this Agreement. Without limiting the rights and remedies available to COUNTY under any other provision of this Agreement, failure to cure such default within ninety (90) days of notice by the Los Angeles County **CSSD** shall be grounds upon which the COUNTY Board of Supervisors may terminate this Agreement pursuant to ARTICLE X, DURATION AND TERMINATION OF AGREEMENT.

82. CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

CONTRACTOR acknowledges that COUNTY places a high priority on the enforcement of child support laws and the apprehension of child support evaders. CONTRACTOR understands that it is COUNTY's policy to encourage all COUNTY contractors to voluntarily post COUNTY's *L.A.'s Most Wanted: Delinquent Parents* poster in a prominent position at CONTRACTOR's place of business. COUNTY's **CSSD** will supply CONTRACTOR with the poster to be used.

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New Paragraphs are added, as follows:

88. GOVERNING LAW AND VENUE

88.1 This Agreement shall be governed by and construed in accordance with and governed by the laws of the State of California.

88.2 Any reference to a specific statute, regulation, or other law is deemed to include a reference to any amendment thereto as of the effective date of such amendment; further, this Agreement shall be interpreted, and the parties' duties and obligations under this Agreement shall be consistent with, any amendment to the applicable statute, regulation, or any other law which occurs after the effective date of this Agreement.

88.3 CONTRACTOR agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought under shall be exclusively in the COUNTY of Los Angeles, California, Central Civil Division.

89. COMPLIANCE WITH JURY SERVICE PROGRAM

89.1 Jury Service Program

This Agreement is subject to the provisions of the COUNTY's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

## 89.2 Written Employee Jury Service Policy

89.2.1 Unless CONTRACTOR has demonstrated to the COUNTY's satisfaction either that CONTRACTOR is not a "Contractor" as defined under the Jury Service Program (section 2.203.020 of the County Code) or that CONTRACTOR qualifies for an exception to the Jury Service Program (2.203.070 of the County Code). CONTRACTOR shall have and adhere to a written policy that provides that its employees shall receive from the CONTRACTOR, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the CONTRACTOR or that the CONTRACTOR deduct from the employee's regular pay the fees received for jury service.

89.2.2 For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the COUNTY or a subcontract with a COUNTY contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more COUNTY contracts or subcontracts. "Employee" means any California resident who is a full-time employee of CONTRACTOR. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is recognized industry standard as determined by the COUNTY, or 2) CONTRACTOR has a long-standing practice that defines the lesser number of

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hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If CONTRACTOR uses any subcontractor to perform services for the COUNTY under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted unto any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreements.

- 89.2.3 If CONTRACTOR is not required to comply with the Jury Service Program when the Contract commences, CONTRACTOR shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and CONTRACTOR shall immediately notify County if CONTRACTOR at any time either comes within the Jury Services Program's definition of "Contractor" or if CONTRACTOR no longer qualifies for an exception to the Program. In either event, CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. The COUNTY may also require, at any time during the Contract and at its sole discretion, that CONTRACTOR demonstrate to the COUNTY's satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that CONTRACTOR continues to qualify for an exception to the Program.



89.2.4 CONTRACTOR's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate the Contract and/or bar CONTRACTOR from award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.

90. CONTRACTOR PAYMENT OBLIGATIONS

CONTRACTOR shall be responsible for timely payment to:

- a. COUNTY's L.A. FAIR contractor, Affiliated Computer Services, Inc., State & Local Solutions (ACS) for cost to CONTRACTOR for Electronic Data Processing (EDP) and related costs (see Attachment A for these costs). CONTRACTOR shall remit payment by the due date set forth on ACS' invoice for such charges, and payment shall be made directly to ACS.

CONTRACTOR's outlets in the area designated by COUNTY as 'Pilot Districts' (see Attachment C) will not be responsible for payment nor will CONTRACTOR receive an invoice from ACS for EDP costs for the first two months of the Electronic Benefits Transfer (EBT) pilot in Los Angeles County, scheduled for the months of August 2003 and September 2003. COUNTY will pay the EDP costs for those outlets in the designated areas for the first two months of the EBT pilot .

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CONTRACTOR's, with outlets in the EBT pilot designated areas, in the third month of the pilot may:

- elect to continue to operate as a benefits issuance outlet and resume responsibility to pay all EDP and related costs,
- reduce the number of terminals in each outlet to a minimum of two and resume the responsibility to pay EDP and related costs for the reduced number of terminals, or
- cease all benefits issuance activities in the designated pilot areas, return all EDP and related equipment and end all responsibility for EDP and related costs for these outlets.

In the event CONTRACTOR does not provide payment to ACS:

1. ACS may initiate any and all actions, including but not limited to, filing a claim against CONTRACTOR's EDP surety bond and or pursuing any legal recourse against CONTRACTOR to obtain funds sufficient to provide payment to ACS for EDP and related costs.
2. ACS, with the prior written consent of COUNTY's Department of Public Social Services, General Services Division, Benefits Issuance Administrator may, after sixty (60) calendar days with no payment by CONTRACTOR, suspend electronic data processing transmission to CONTRACTOR's benefits issuance outlet. See also Paragraph 40.k.

AMENDMENT NUMBER THREE  
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- b. COUNTY contracts with three bulk storage vendors who provide secured storage and armored delivery service for transit of Food Stamp coupons and COUNTY blank check stock to benefits issuance agents.

CONTRACTOR shall choose any one of the three COUNTY bulk storage vendors to provide this service. A copy of the resultant agreement between COUNTY's bulk storage vendor and CONTRACTOR shall be provided to COUNTY within fifteen (15) calendar days of signing the agreement.

91. SAFELY SURRENDERED BABY LAW

CONTRACTOR shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. Such information is set for the in Exhibit D.

AMENDMENT NUMBER THREE  
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All other terms and conditions remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles, on April 29, 2003 delegated to the Director, DPSS authority to approve this Amendment Number Three and CONTRACTOR has caused this Amendment to be subscribed in its behalf by its duly authorized officer(s), the day, month and year first above written.

**COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

By \_\_\_\_\_  
Bryce Yokomizo, Director

\_\_\_\_\_  
Date

**ACE CASH EXPRESS, INC.**

By \_\_\_\_\_  
Jay B. Shipowitz, President and Chief  
Operating Officer

By \_\_\_\_\_  
Debra A. Bradford, Senior V.P. and  
Chief Financial Officer

**APPROVED AS TO FORM:**

**Lloyd W. Pellman  
COUNTY Counsel**

By \_\_\_\_\_  
Kelly M. Auerbach Hassel, Deputy COUNTY Counsel

AMENDMENT NUMBER THREE  
TO  
AGREEMENT DPSS - BIA 019  
ATTACHMENT A

**OUTLET LOCATION AND ESTIMATED EDP COSTS**

Site Address	Site Number	No. Teller Stations	Teller station equipment lease, and maintenance, monthly	Network connectivity, hardware lease and maintenance, monthly	Total Monthly Costs
Ace Cash Express 4005 W. 3 <sup>rd</sup> Street Los Angeles, California 90020	7254	3	\$ 360.00	\$1,337.91	\$1,697.91
Ace Cash Express 1993 E. Florence Avenue Los Angeles, California 90001	7255	2	\$ 240.00	\$1,337.91	\$1,577.91
Ace Cash Express 5151 W. Pico Boulevard Los Angeles, California 90019	7256	2	\$ 240.00	\$1,337.91	\$1,577.91
Ace Cash Express 1232 E. Florence Avenue Los Angeles, California 90001	7257	2	\$ 240.00	\$1,337.91	\$1,577.91
Ace Cash Express 500 E. Washington Boulevard Los Angeles, California 90015	7258	2	\$ 240.00	\$1,337.91	\$1,577.91

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Site Address	Site Number	No. Teller Stations	Teller station equipment lease, and maintenance, monthly	Network connectivity, hardware lease and maintenance, monthly	Total Monthly Costs
				TOTAL MONTHLY	\$8,009.55

MISCELLANEOUS COST

Printer Ribbon 4 to \$6 each

RELOCATION COSTS

Telecom installation, dedicated line and dial back-up line (estimated)<sup>1</sup> \$4,000.00

Equipment move, one time only cost, per terminal to another location \$ 595.00

Equipment move, one time only cost, per visit in the same location \$ 174.00

Site Inspections and Visits \$ 75.00

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<sup>1</sup> Issuance agent is responsible for arranging for and payment of costs required for installation of dedicated electrical lines and wiring for teller stations.

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TO  
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ATTACHMENT B

NAME OF REPORT	MONTHLY DUE DATE
FNS 250, Food Coupon Accountability Report	15th
FNS 300, Advice of Transfer	15th
FNS 135, Affidavit for Return/Exchange of Food Coupons	15th
FNS 471, Coupon Accountability and Destruction Report	15th
Issuance Difference Letter to FCS	15th
Bus Token Reimbursement	15th
Monthly Food Stamp Transaction Summary	15th
PF9, Month-To-Date Report(s)	15th
PF10, Monthly Site Report(s)	15th
EBAT Log(s)	15th
Equipment Trouble Log(s).	15th
GA8 Monthly County Check Stock Recon. Report	15th
GA3 County Check Stock Advice of Transfer	15th
GA5 County Check Stock Void Report	15th
FNS 250 Revisions	As needed
Semi-Annual CPA Reports	May 1 and November 1
Issuance Receipts, DIATP's	15th

Specific instructions for completion and submission of the individual reports listed herein are contained in the Benefits Issuance Agents' Handbook.



**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
METRO EAST DISTRICT  
2855 E. Olympic Boulevard  
Los Angeles, CA 90023**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
5553	Cash It Here	2417 E. Cesar Chavez Blvd. Los Angeles, CA 90033
5554	Cash It Here	3010 N. San Gabriel Blvd. Rosemead, CA 91770
5558	Cash It Here	5632 E. Whittier Blvd. Los Angeles, CA 90022
5559	Cash It Here	6821-A Eastern Ave. Bell Gardens, CA 90201
5560	Cash It Here	8116 Long Beach Blvd. South Gate, CA 90280
8102	California Quik Check	4137 E. Gage Avenue Bell, CA 90201

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
METRO EAST DISTRICT (Cont')**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
2752	Continental Currency	5623 Whittier Blvd. Los Angeles, CA 90022
3317	Nix Check Cashing #12	5925 S. Atlantic Blvd. Maywood, CA 90270
3335	Nix Check Cashing #37	2750 E. 1 <sup>st</sup> Street Los Angeles, CA 90033
3338	Nix Check Cashing #57	4940 Huntington Drive Los Angeles, CA 90032
3344	Nix Check Cashing #59	5411 N. Figueroa Street Los Angeles, CA 90042

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TO  
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**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
SOUTH CENTRAL DISTRICT  
10728 S. Central Avenue  
Los Angeles, CA 90059**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
5403	Jet Food Stamp Center	8607 S. Broadway Los Angeles, CA 90003
5404	Jet Food Stamp Center	148 E. Compton Blvd. Compton, CA 90220
5406	Jet Food Stamp Center	5860 S. Vermont Avenue Los Angeles, CA 90044
1203	WLCAC	10954 S. Central Avenue Los Angeles, CA 90059
8103	California Quik Check	3646 E. Imperial Highway Lynwood, CA 90262
3306	Nix Check Cashing #3	740 W. Compton Blvd. Compton, CA 90221
8107	California Quik Check	1445 W. Century Blvd. Los Angeles, CA 90047

AMENDMENT NUMBER THREE  
TO  
AGREEMENT DPSS - BIA 019

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
SOUTH CENTRAL DISTRICT (Cont')**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
8524	Golden Express	2211 N. Long Beach Blvd. Compton, CA 90221
3302	Nix Check Cashing #9	653 E El Segundo Los Angeles, CA 90059
3304	Nix Check Cashing # 1	1969 E. Firestone Boulevard Los Angeles, CA 90001
3308	Nix Check Cashing #2	11401 S. Figueroa Street Los Angeles, CA 90061
3310	Nix Check Cashing #31	10005 S. Central Avenue Los Angeles, CA 90002
3311	Nix Check Cashing #24	1015 W. Florence Boulevard Los Angeles, CA 90044
3328	Nix Check Cashing #30	1651 E. 103 <sup>rd</sup> Street Los Angeles, CA 90002

AMENDMENT NUMBER THREE  
TO  
AGREEMENT DPSS - BIA 019

**BENEFITS ISSUANCE OUTLETS WITHIN 7 MILES  
OF  
SOUTH CENTRAL DISTRICT (Cont')**

<b><u>SITE #</u></b>	<b><u>OUTLET NAME</u></b>	<b><u>ADDRESS</u></b>
3331	Nix Check Cashing #49	11840 S. Wilmington Avenue Willowbrook, CA 90059
3340	Nix Check Cashing #51	1602 Rosecrans Blvd. Compton, CA 90220
3343	Nix Check Cashing #56	11325 Long Beach Blvd. Lynwood, CA 90262